101st Congress
2d Session

HOUSE OF REPRESENTATIVES

Report
101-968

MAKING APPROPRIATIONS FOR FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1991, AND FOR OTHER PURPOSES

October 27, 1990.—Ordered to be printed

Mr. Obey, from the committee of conference,
submitted the following

CONFERENCE REPORT

[To accompany H.R. 5114]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5114) making appropriations for Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1991, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 6, 8, 9, 25, 26, 33, 38, 52, 59, 64, 99, 105, 107, 110, 120, 125, 134, 139, 154, 167, 170, 171, 174, 185, 187, 189, and 197.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 10, 11, 12, 13, 14, 15, 17, 20, 21, 22, 24, 27, 29, 30, 31, 32, 34, 37, 40, 45, 46, 49, 50, 51, 53, 55, 56, 58, 65, 66, 67, 70, 72, 75, 76, 77, 78, 79, 81, 82, 84, 85, 86, 87, 88, 89, 91, 92, 93, 94, 97, 98, 100, 106, 111, 112, 113, 114, 115, 116, 117, 118, 119, 122, 124, 126, 128, 129, 130, 131, 133, 135, 137, 140, 143, 145, 147, 148, 149, 151, 153, 157, 158, 160, 162, 165, 199, and agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed in said amendment, insert: *$126,854,000*; and the Senate agree to the same.

Amendment numbered 16:

35-442

H183-30

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the sum named in said amendment, insert: *$225,000*; and the Senate agree to the same.

Amendment numbered 18–19:

That the House recede from its disagreement to the amendment of the Senate numbered 18–19, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That funds appropriated under this heading for family planning purposes shall not be reduced by a proportion greater than other functional development assistance accounts in order to comply with requirements to provide assistance from funds appropriated to carry out chapter 1 of part I or to carry out part I of the Foreign Assistance Act of 1961*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$23,000,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

Strike all after the words "from Poland" named in said amendment, and insert in lieu thereof: *, Hungary and Czechoslovakia*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For necessary expenses to carry out the provisions of chapter 10 of part I of the Foreign Assistance Act of 1961, as enacted by this Act, $800,000,000, to remain available until September 30, 1992: Provided, That up to $3,500,000 of the funds appropriated under this heading may be made available, notwithstanding any other provision of law, to support the participation of disadvantaged South Africans in private enterprise development in South Africa: Provided further, That such assistance provided to support the participation of disadvantaged South Africans in private enterprise shall not be used to provide support to organizations or groups which are financed or controlled by the Government of South Africa: Provided further, That not less than $50,000,000 of the funds appropriated under this heading may be made available to assist activities supported by the Southern Africa Development Coordination Conference: Provided further, That funds appropriated under this heading which are made available for activities supported by the Southern Africa Development Coordination Conference shall be made avail-

able notwithstanding section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961: Provided further, That up to 5 per centum of the funds made available under this heading may be used for operating expenses of the Agency for International Development for increasing (above the level of resources available for fiscal year 1989) the organizational resources which the Agency has available for development assistance activities for sub-Saharan Africa, and shall be in addition to amounts otherwise allocated to the Agency's Bureau for Africa.

And the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

None of the funds appropriated by this Act to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 shall be transferred to the Government of Zaire: Provided, That this provision shall not be construed to prohibit nongovernmental organizations from working with appropriate ministries or departments of the Government of Zaire.

And the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the first sum named in said amendment, insert: *$1,000,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$57,000,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided, That, notwithstanding any other provision of law, the authority of section 108(i) of the Foreign Assistance Act of 1961 may be used to provide up to $10,000,000 in loan guarantees for each of two projects during the fiscal year 1991: Provided further, That, notwithstanding any other provision of law, there shall be held in reserve in the revolving fund account established pursuant to section 108 of that Act only such amounts as are estimated to be sufficient to cover the expected net liabilities on loan guarantees outstanding under the program authorized by section 108(i): Provided further, That to the extent that funds held in reserve are not adequate to discharge liabilities under guarantees provided under section 108(i),* *funds appropriated under the heading "Economic Support Fund" shall be made available to discharge such liabilities.*

During fiscal year 1991, obligations for assistance from amounts in the revolving fund account under section 108 shall not exceed $15,000,000; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$29,000,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *: Provided, That in order to effectively monitor its program for the West Bank and Gaza, the Agency for International Development shall station one professional at either the Consulate General in Jerusalem or the Embassy in Tel Aviv*; and the Senate agree to the same.

Amendment numbered 47:

That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows:

After the words "*Provided further,* That" named in said amendment, insert: *up to*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That the Inspector General of the Agency for International Development may, at his discretion and after consultation with the Secretary of State, establish a regional office in Europe in order to carry out audit and other responsibilities with regard to assistance programs for Eastern Europe*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$62,500,000*; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

After the words "Act of 1961" insert: *: Provided further, That of the funds appropriated under this heading, not less than $200,000 shall be transferred to the Bureau of Oceans, International Environment and Scientific Affairs of the Department of State to be used only to implement the Antarctic Protection Act of 1990: Provided* *further, That none of the funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 may be used for tied-aid credits: Provided further, That for purposes of the previous proviso the term "tied-aid credits" means any credit, within the meaning of section 15(h)(1) of the Export-Import Bank Act of 1945, which is used for blended or parallel financing, as those terms are defined by sections 15(h) (4) and (5), respectively, of such Act*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$160,000,000, of which $60,000,000 shall be derived by transfer, one-half from funds appropriated to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 and one-half from funds appropriated to carry out chapter 4 of part II of the Act*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numberd 61, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That up to a total of $40,000,000 of the funds appropriated to carry out sections 103 through 106 and chapter 4 of part II of such Act may be transferred to and consolidated and merged with the funds appropriated under this heading notwithstanding the limitations on transfers between accounts contained in section 514 of this Act and sections 109 and 610 of the Foreign Assistance Act of 1961: Provided further, That any funds transferred to carry out the purposes of the previous proviso shall be made available only for projects and activities which are consistent with the purposes of those funds as initially appropriated: Provided further, That of the total amount of funds transferred to carry out the purposes of this heading not less than 50 per centum shall be derived from funds appropriated to carry out chapter 4 of part II of the Foreign Assistance Act: Provided further, That transfers of any funds to carry out the purposes of this heading shall be subject to the regular notification procedures of the Committees on Appropriations*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$369,675,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$113,675,000*; and the Senate agree to the same.

Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows:

After the words "energy resources" named in said amendment, insert: *and further including training, technical assistance for related energy and environmental investments or regulation, local production of environmental or energy-related equipment, promotion of U.S. technologies, and dealing with health problems directly associated with pollution*; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$19,000,000*; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$90,000,000*; and the Senate agree to the same.

Amendment numbered 73:

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$27,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *with emphasis on technical assistance and training for development of market-oriented policies, restructuring and creation of financial institutions (such as stock markets, insurance companies and banks), creation and management of private business organizations, and privatization of state business organizations; and*

(7) $40,000,000, of which $10,000,000 shall be derived by transfer from funds provided for environment and energy activities under this heading, and which shall be provided for agricultural and rural development activities, with emphasis on technical assistance and training for development of rural economies and market-oriented policies, restructuring and creation of agricultural financial institutions and marketing systems, development of food processing, food transport and food storage systems, creation and management of agribusiness organizations (including farmer-owned cooperatives), and privatization of state farms, agribusiness and credit institutions; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert: *$500,000*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That of the funds appropriated by this Act to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $5,000,000, to be derived in equal amounts from funds appropriated for each of those chapters, shall be made available for the Affected Thai Village Program*; and the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$4,663,420,800*; and the Senate agree to the same.

Amendment numbered 95:

That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the first sum named in said amendment, insert: *$403,500,000*

In lieu of the second sum named in said amendment, insert: *$403,500,000*; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

If Turkey receives any funds under this heading on a grant basis then not less than $30,000,000 of the funds provided for Greece shall be made available as grants: Provided, That funds; and the Senate agree to the same.

Amendment numbered 101:

That the House recede from its disagreement to the amendment of the Senate numbered 101, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$43,000,000*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$350,000,000 only*; and the Senate agree to the same.

Amendment numbered 103:

That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *$500,000,000 only*; and the Senate agree to the same.

Amendment numbered 104:

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: *, and up to $100,000,000 shall be available for Portugal*; and the Senate agree to the same.

Amendment numbered 108:

That the House recede from its disagreement to the amendment of the Senate numbered 108, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$20,000,000*; and the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$20,000,000*; and the Senate agree to the same.

Amendment numbered 121:

That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment, as follows:

In lieu of subsection (d)(1) inserted by said amendment, insert:

(d) WITHHOLDING OF MILITARY ASSISTANCE.—(1) IN GENERAL.—Fifty percent of the total United States military assistance allocated for El Salvador for fiscal year 1991 shall be withheld from obligation or expenditure (as the case may be) except as provided in paragraphs (2) and (3).

In lieu of subsection (j)(2)(B) inserted by said amendment, insert:

(B) assistance to carry out section 23 of the Arms Export Control Act.

And the Senate agree to the same.

Amendment numbered 123:

That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment, as follows:

After the words "the Caribbean," named in subsection (d)(1) of said amendment, insert: *$100,000 shall be for the Charles Darwin Station,*

In lieu of subsection (f) inserted by said amendment, insert:

(f) Chapter 1 of part II of the Foreign Assistance Act of 1961 is amended by adding the following new section:

"Sec. 518. NATURAL RESOURCES AND WILDLIFE MANAGEMENT.—

"(a) AUTHORITY TO TRANSFER NONLETHAL EXCESS DEFENSE ARTICLES AND SMALL ARMS.—Subject to the limitations in this section, the President may transfer non-lethal excess defense articles and small arms to friendly countries and to international organizations and private and voluntary organizations for the purposes contained in section 119 of this Act.

"(b) LIMITATION ON TRANSFERS.—Transfers under this section shall be subject to the limitations contained in section 516(b).

"(c) TRANSPORTATION.—The Department is authorized to transport nonlethal excess defense articles and small arms made available pursuant to this section without charge on a space available basis.

"(d) WAIVER OF REQUIREMENTS FOR REIMBURSEMENT OF DOD EXPENSES.—Section 632(d) shall not apply with respect to transfers of nonlethal excess defense articles and small arms under this section or the transportation of such articles as authorized by subsection (c).

"(e) NOTIFICATION TO COMMITTEES OF CONGRESS—The President may not transfer nonlethal excess defense articles and small arms under this section until 30 days after he has notified the Committees on Appropriations of the proposed transfer. This notification shall include a certification of the need for the transfer and an assessment of the impact of the transfer on the military readiness of the United States. Transfers under this section shall also be subject to the notification requirements of section 516(c) of this Act.".

And the Senate agree to the same.

Amendment numbered 127:

That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment, as follows:

In lieu of the date "November 11" named in said amendment, insert: *October 31*; and the Senate agree to the same.

Amendment numbered 132:

That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment, as follows:

In lieu of the words "technical changes" named in said amendment, insert: *time compliance*; and the Senate agree to the same.

Amendment numbered 136:

That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert: *Provided further, That the Secretary of State and the Secretary of the Treasury should in every feasible instance notify the Appropriations Committees of the Congress and such other Committees as appropriate not less than 15 days prior to any formal multilateral or bilateral negotiation for official debt restructuring, rescheduling, or relief: Provided further, That the Secretary of State or the Secretary of the Treasury, as appropriate, shall report not later than the first of February, 1991 and annually thereafter a consolidated statement of the budgetary implications of all debt-related agreements entered into force during the preceding fiscal year*; and the Senate agree to the same.

Amendment numbered 138:

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert:

COMMISSION ON FOREIGN ASSISTANCE MANAGEMENT

SEC. 557. (a) ESTABLISHMENT.—There is established the Commission on Management of Agency for International Development Programs (hereafter in this section referred to as the "Commission").

(b) MEMBERSHIP.—The Commission shall consist of 5 members appointed by the President after consultation with the Chairmen of the Committee on Apropriations and the Committee on Foreign Affairs of the House of Representatives and the Chairmen of the Committee on Appropriations and the Committee on Foreign Relations of the Senate. Individual members of the Commission shall be from the private sector. The President shall designate the Chairman of the Commission from among its members.

(c) DUTIES.—The Commission shall conduct a thorough study and recommend appropriate administrative action and legislation necessary in connection with the following:

(1) The adequacy of systems of program management, including evaluation and coordination, taking into consideration, among other things—

(A) the need to identify central foci within the Agency to coordinate its program and management responsibilities and to evaluate the Agency's program and management performance;

(B) the need to develop specific indicators of effective performance for both program and management functions;

(2) the adequacy of personnel management systems, taking into consideration, among other things—

(A) the need to systematically ensure the integration of program, operating expense, and personnel levels;

(B) the need to adjust personnel and operating expense levels among organizational units in order to meet changing program requirements;

(C) the capacity to meet changing requirements for program and management skills in headquarters offices and field missions;

(D) the significance of operating and program funding distinctions as they affect the ability of the Agency to adjust its personnel to program requirements;

(3) the adequacy of systems of personal accountability for program management, taking into consideration, among other things—

(A) the need to establish and identify clear lines of decision-making responsibility among headquarters offices and between headquarters and field missions;

(B) the need to ensure that an individual's performance in the implementation and management of the Agency's program portfolio is appropriately reflected in its promotion and assignment processses.

(d) REPORT.—The Commission shall submit a comprehensive report to the President and to the Congress, not later than six months from the date after which all members of the Commission have been appointed, containing the findings and recommendations of the Commission with respect to its study. The Commission should work with the General Accounting Office and consult with General

Accounting Office reports and studies on management issues concerning the agency for International Development in the conduct of its study. The Commission shall cease to exist on the thirtieth day after the date on which it files the comprehensive report under this subsection.

(e) Compensation and Per Diem.—(1) Compensation.—Members of the Commission shall receive no pay on account of their service on the Commission.

(2) Per Diem.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(f) Authorities.—(1) In General.—The Commission or any member it authorizes may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, request such attendance, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) Appointments.—Subject to such rules as may be adopted by the Commission, the Chairman of the Commission, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classifications and General Schedule pay rates, may appoint and fix the compensation of a Director and such other staff as the Chairman considers necessary.

(3) Temporary Services.—The Chairman of the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay then in effect for grade GS–18 of the General Schedule (5 U.S.C. 5332(a)).

(4) Administrative Support.—Upon the request of the Chairman of the Commission, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of such department or agency to the Commission to assist it in carrying out its duties under this section. The Administrator of the Agency for International Development shall provide to the Commission on a reimbursable basis such administrative support services as the Chairman of the Commission may request and the Administrator of the Agency for International Development may deem appropriate.

(5) Information from Federal Agencies.—The Commission may secure directly from any department or agency of the United States appropriate information necessary to enable it to carry out this section. Upon the request of the Chairman of the Commission, the head of such department or agency shall furnish such appropriate information to the Commission.

(g) Funding.—In addition to funds otherwise available for such purposes, up to $500,000 of the unearmarked funds appropriated by this Act under the heading "Operating Expenses of the Agency for International Development" may be made available for purposes of this section.

And the Senate agree to the same.

Amendment numbered 141:

That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

GENERAL AUTHORIZATIONS

SEC. 562.

SUB-SAHARAN AFRICA

(a) AUTHORIZATION.—Part I of the Foreign Assistance Act of 1961 is amended by adding after chapter 9 the following new chapter:

"CHAPTER 10--DEVELOPMENT FUND FOR AFRICA

"SEC. 496. LONG-TERM DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICA.

"(a) FINDINGS.—The Congress finds that—

"(1) drought and famine have caused countless deaths and untold suffering among the people of sub-Saharan Africa;

"(2) drought and famine in combination with other factors such as desertification, government neglect of the agricultural sector, and inappropriate economic policies have severely affected long-term development in sub-Saharan Africa; and

"(3) the most cost-effective and efficient way of overcoming Africa's vulnerability to drought and famine is to address Africa's long-term development needs through a process that builds upon the needs and capabilities of the African people, promotes sustained and equitable economic growth, preserves the environment, and protects the rights of the individual.

"(b) AUTHORITY TO FURNISH ASSISTANCE.—The President is authorized to furnish project and program assistance, on such terms and conditions as he may determine in accordance with the policies contained in this section, for long-term development in sub-Saharan Africa.

"(c) PURPOSE OF ASSISTANCE.—

"(1) PURPOSE.—The purpose of assistance under this section shall be to help the poor majority of men and women in sub-Saharan Africa to participate in a process of long-term development through economic growth that is equitable, participatory, environmentally sustainable, and self-reliant.

"(2) USE OF ASSISTANCE TO ENCOURAGE PRIVATE SECTOR DEVELOPMENT.—Assistance under this section should, in a manner consistent with paragraph (1), be used to promote sustained economic growth, encourage private sector development, promote individual initiatives, and help to reduce the role of central governments in areas more appropriate for the private sector.

"(d) APPLICATION OF DEVELOPMENT ASSISTANCE GENERAL AUTHORITIES AND POLICIES.—Except to the extent inconsistent with this section—

"(1) any reference in any law to chapter 1 of this part (including references to sections 103 through 106) shall be deemed to include a reference to this section; and

"(2) assistance under this section shall be provided consistent with the policies contained in section 102.

"(e) PRIVATE AND VOLUNTARY ORGANIZATIONS.—

"(1) CONSULTATION TO ENSURE LOCAL PERSPECTIVES.—The Agency for International Development shall take into account the local-level perspectives of the rural and urban poor in sub-Saharan Africa, including women, during the planning process for project and program assistance under this section. In order to gain that perspective the Agency for International Development should consult closely with African, United States, and other private and voluntary organizations that have demonstrated effectiveness in or commitment to the promotion of local, grassroots activities on behalf of long-term development in sub-Saharan Africa as described in subsection (c).

"(2) DEFINITION OF PRIVATE AND VOLUNTARY ORGANIZATIONS.—For purposes of this section, the term "private and voluntary organizations" includes (in addition to entities traditionally considered to be private and voluntary organizations) cooperatives, credit unions, trade unions, women's groups, nonprofit development research institutions, and indigenous local organizations, which are private and nonprofit.

"(f) LOCAL INVOLVEMENT IN PROJECT IMPLEMENTATION.—Local people, including women, shall be closely consulted and involved in the implementation of every project under this section which has a local focus.

"(g) PARTICIPATION OF AFRICAN WOMEN.—The Agency for International Development shall ensure that development activities assisted under this section incorporate a significant expansion of the participation (including decision-making) and integration of African women in each of the critical sectors described in subsection (i).

"(h) TYPES OF ASSISTANCE.—

"(1) PROJECTS AND PROGRAMS TO ADDRESS CRITICAL SECTORAL PRIORITIES.—Assistance under this section shall emphasize primarily projects and programs to address critical sectoral priorities for long-term development described in subsection (i).

"(2) REFORM OF ECONOMIC POLICIES.—

"(A) USE OF PROGRAM ASSISTANCE.—Assistance under this section may also include program assistance to promote reform of sectoral economic policies affecting long-term development in sub-Saharan Africa as described in subsection (c), with primary emphasis on reform of economic policies to support the critical sectoral priorities described in subsection (i).

"(B) PROTECTION OF VULNERABLE GROUPS.—Assisted policy reforms shall also include provisions to protect vulnerable groups (especially poor, isolated, and female farmers, the urban poor, and children including displaced children) and long-term environmental interests from possible negative consequences of the reforms.

"(3) OTHER ASSISTANCE.—Funds made available to carry out this section shall be used almost exclusively for assistance in accordance with paragraphs (1) and (2). Assistance consistent with the purpose of subsection (c) may also be furnished under

this section to carry out the provisions of sections 103 through 106 of this Act.

"(i) CRITICAL SECTORAL PRIORITIES.—The critical sectoral priorities for long-term development, as described in subsection (c), are the following:

"(1) AGRICULTURAL PRODUCTION AND NATURAL RESOURCES.—

"(A) AGRICULTURAL PRODUCTION.—Increasing agricultural production in ways which protect and restore the natural resource base, especially food production, through agricultural policy changes, agricultural research (including participatory research directly involving small farmers) and extension, development and promotion of agriculture marketing activities, credit facilities, and appropriate production packages, and the construction and improvement of needed production-related infrastructure such as farm-to-market roads, small-scale irrigation, and rural electrification. Within this process, emphasis shall be given to promoting increased equity in rural income distribution, recognizing the role of small farmers.

"(B) NATURAL RESOURCE BASE.—Maintaining and restoring the renewable natural resource base primarily in ways which increase agricultural production, through the following:

"(i) Small-scale, affordable, resource-conserving, low-risk local projects, using appropriate technologies (including traditional agricultural methods) suited to local environmental, resource, and climatic conditions, and featuring close consultation with and involvement of local people at all stages of project design and implementation. Emphasis shall be given to grants for African local government organizations, international or African nongovernmental organizations, and United States private and voluntary organizations.

"(ii) Support for efforts at national and regional levels to provide technical and other support for projects of the kinds described in clause (i) and to strengthen the capacities of African countries to provide effective extension and other services in support of environmentally sustainable increases in food production.

"(iii) Support for special training and education efforts to improve the capacity of countries in sub-Saharan Africa to manage their own environments and natural resources.

"(iv) Support for low-cost desalination activities in order to increase the availability of fresh water sources in sub-Saharan Africa.

"(2) HEALTH.—Improving health conditions, with special emphasis on meeting the health needs of mothers and children (including displaced children) through the establishment of primary health care systems that give priority to preventive health and that will be ultimately self-sustaining.

"(3) VOLUNTARY FAMILY PLANNING SERVICES.—Providing increased access to voluntary family planning services, including

encouragement of private, community, and local government initiatives.

"(4) EDUCATION.—Improving the relevance, equity, and efficiency of education, with special emphasis on improving primary education.

"(5) INCOME-GENERATING OPPORTUNITIES.—Developing income-generating opportunities for the unemployed and underemployed in urban and rural areas through, among other things, support for off-farm employment opportunities in micro- and small scale labor-intensive enterprises.

"(j) MINIMUM LEVELS OF ASSISTANCE FOR CERTAIN CRITICAL SECTORS.—The Agency for International Development should target the equivalent of 10 percent of the amount authorized to be appropriated for each fiscal year to carry out this chapter for each of the following:

"(1) The activities described in subsection (i)(1)(B), including identifiable components of agricultural production projects.

"(2) The activities described in subsection (i)(2).

"(3) The activities described in subsection (i)(3).

"(k) EFFECTIVE USE OF ASSISTANCE.—Assistance provided under this section shall be concentrated in countries which will make the most effective use of such assistance in order to fulfill the purpose specified in subsection (c), especially those countries (including those of the Sahel region) having the greatest need for outside assistance.

"(l) PROMOTION OF REGIONAL INTEGRATION.—Assistance under this section shall, to the extent consistent with this section, include assistance to promote the regional and subregional integration of African production structures, markets, and infrastructure.

"(m) DONOR COORDINATION MECHANISM.—Funds made available to carry out this section may be used to assist the governments of countries in sub-Saharan Africa to increase their capacity to participate effectively in donor coordination mechanisms at the country, regional, and sector levels.

"(n) RELATION TO OTHER AUTHORITIES.—

"(1) ASSISTANCE UNDER OTHER AUTHORITIES.—The authority granted by this section to provide assistance for long-term development in sub-Saharan Africa is not intended to preclude the use of other authorities for that purpose. Centrally-funded programs which benefit sub-Saharan Africa shall continue to be funded under chapter 1 of part I of this Act.

"(2) TRANSFER AUTHORITIES.—

"(A) The transfer authority contained in section 109 of this Act shall not apply with respect to this section.

"(B) The transfer authority contained in section 610(a) of this Act may not be used to transfer funds made available to carry out this section in order to allow them to be used in carrying out any other provision of this Act.

"(3) REPROGRAMMING NOTIFICATIONS.—Section 634A of this Act does not apply with respect to funds made available to carry out this section.

"(4) PROCUREMENT OF GOODS AND SERVICES.—In order to allow the assistance authorized by this section to be furnished as effectively and expeditiously as possible, section 604(a) of this Act, an similar provisions relating to the procurement of goods

and services, shall not apply with respect to goods and services procured for use in carrying out this section. The exemption provided by this paragraph shall not be construed to apply to the Comprehensive Anti-Apartheid Act of 1986.

"(o) SUPPORT FOR SADCC PROJECTS.—

"(1) AUTHORITY TO PROVIDE ASSISTANCE.—To the extent funds are provided for such purpose in the annual Foreign Operations, Export Financing, and Related Programs Appropriations Act, funds made available to carry out this chapter may be used to assist sector projects, in the sectors specified in paragraph (2), that are supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the member states forming that regional institution.

"(2) SECTORS.—The sectors with respect to which assistance may be provided under this subsection are the following: transportation; manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives).

"(3) RELATION TO DFA POLICIES AND AUTHORITIES.—To the maximum extent feasible, the assistance authorized by this subsection shall be provided consistent with the policies and authorities contained in the preceding subsection of this section.

"SEC. 497. AUTHORIZATIONS OF APPROPRIATIONS FOR THE DEVELOPMENT FUND FOR AFRICA.

"Funds appropriated to carry out this chapter are authorized to be made available until expended. It is the sense of the Congress that the authority of this subsection should be used to extend the period of availability of those funds whenever appropriate to improve the quality of assistance provided under section 496.".

(b) EVALUATIONS.—It is the sense of the Congress that there should be periodic evaluations of the progress of the Agency for International Development in achieving the purpose specified in section 496(c) of the Foreign Assistance Act of 1961.

(c) REPORTS TO CONGRESS.—As part of the annual Congressional Presentation materials for economic assistance, the Administrator of the Agency for International Development shall include a description of the progress made during the previous fiscal year in carrying out chapter 10 of part I of the Foreign Assistance Act of 1961 in three countries in sub-Saharan Africa which represent differing economic situations and levels of progress. The description shall include—

(1) the nature and extent of consultation to ensure local perspectives, as described in subsections (e)(1) and (f) of section 496;

(2) the degree of involvement of local people in the implementation of projects having a local focus;

(3) the extent to which there has been expansion of the participation and integration of African women in each of the critical sectors specified in section 496(i);

(4) program assistance provided, including the amounts obligated, the criteria used for assisting reforms, and the provisions made pursuant to section 496(h)(2)(B) to protect vulnerable groups from possible negative consequences of the reforms; and

(5) a description of the assistance for the critical sector priorities specified in section 496(i), by sector, including the amounts obligated.

(d) CONFORMING AMENDMENTS.—The Foreign Assistance Act of 1961 is amended—

(1) in section 105(b)—

(A) by striking out "(b)(1)" and inserting in lieu thereof "(b)"; and

(B) by striking out paragraph (2);

(2) in section 113(b)(1), by inserting "and chapter 10 of this part" after "this chapter";

(3) in section 116(e)(1)—

(A) by inserting ", chapter 10 of this part," after "available under this chapter"; and

(B) by inserting before the period at the end of the first sentence "or under chapter 10 of this part, except that funds made available under chapter 10 of this part may only be used under this subsection with respect to countries in sub-Saharan Africa";

(4) in subsection (c)(1) of section 117 (relating to environment and natural resources), by inserting "and chapter 10 of this part" after "this chapter";

(5) by repealing section 121;

(6) in section 123—

(A) in subsection (b), by inserting "and chapter 10 of this part" after "this chapter"; and

(B) in subsection (g), by striking out "121, or 491" and inserting in lieu thereof "491, or 496";

(7) in section 126(b)(1), by inserting ", and chapter 10 of this part," after "this chapter"; and

(8) in section 531(a), by inserting "or, in the case of countries in sub-Saharan Africa, chapter 10 of part I" after "chapter 1 of part I".

EXPORT-IMPORT BANK

The authorities made available under title IV of this Act for the Export-Import Bank may be used by the Bank, notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, or any agency or national thereof: Provided, That section 2(b)(6)(B)(vi) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(6)(B)(vi)) is amended by striking out "1990" and inserting in lieu thereof "1992".

POLAND ASSISTANCE

Section 2223(a) of the American Aid to Poland Act of 1988 (7 U.S.C. 1431 note) is amended by inserting "governmental and" after "used by": Provided, That Section 416(b)(7)(D)(ii) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)(7)(D)(ii)) is amended in the penultimate *sentence—(1) by striking out "such" and inserting in lieu thereof "governmental and nongovernmental"; and (2) by inserting "governmental or" after "activities of".*

FIRST CLASS AIR TRAVEL RESTRICTIONS

The Secretary of the Treasury shall instruct the United States Executive Directors of the multilateral development banks and of the International Monetary Fund—

(1) to seek the adoption, within 12 months after the date of the enactment of this section, of administrative procedures prohibiting personnel of their respective banks and the affiliates of such banks, and of the Fund, from using first class air travel for business of such banks or of the Fund.

(2) if such procedures are not so adopted, report to the Secretary and Congress on the estimated additional costs (if any) incurred by their respective banks or the Fund by reason of the use of first class air travel by personnel of such banks or of the Fund in lieu of coach or business class air travel, who shall make such report available to the Congress on request.

INTERNATIONAL BANKING PROVISIONS

(a) PROVISIONS RELATING TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT.—

(1) AUTHORITY OF THE UNITED STATES TO PARTICIPATE IN THE NINTH REPLENISHMENT OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION.—The International Development Association Act (22 U.S.C. 284 et seq.) is amended by adding at the end the following:

"SEC. 21. NINTH REPLENISHMENT.

"(a) IN GENERAL.—The United States Governor is hereby authorized to agree on behalf of the United States to pay to the Association $3,180,000,000 to the ninth replenishment of the resources of the Association, subject to obtaining the necessary appropriations.

"(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—In order to pay for the United States contribution provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $3,180,000,000 for payment by the Secretary of the Treasury.".

(2) POLICY PROVISIONS.—The International Financial Institutions Act (22 U.S.C. 262c et seq.) is amended by redesignating section 1617 as section 1619 and by inserting after section 1616 the following:

"SEC. 1617. IMPROVEMENT OF INTERACTION BETWEEN INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND NONGOVERNMENTAL ORGANIZATIONS.

"(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to propose, and urge the Executive Board and the management of the bank to develop and implement specific mechanisms designed to—

"(1) substantially improve the ability of the staff of the bank to interact with nongovernmental organizations and other local

groups that are affected by loans made by the bank to borrower countries; and

"(2) delegate to the field offices of the bank in borrowing countries greater responsibility for decisions with respect to proposals for projects in such countries that are to be financed by the bank.

"(b) CERTAIN MECHANISMS URGED.—The mechanisms described in subsection (a) shall include, at a minimum, the following measures:

"(1) An instruction to the management of the bank to undertake efforts to appropriately train and significantly increase the number of bank professional staff (based in Washington, District of Columbia, as of the date of the enactment of this section) assigned, on a rotating basis, to field offices of the bank in borrower countries.

"(2) The assignment to at least 1 professional in each field office of the bank in a borrower country of responsibility for relations with local nongovernmental organizations, and for the preparation and submission to appropriate staff of the bank of a report on the impact of project loans to be made by the bank to the country, based on views solicited from local people who will be affected by such loans, which shall be included as part of the project appraisal report.

"(3) The establishment of the Grassroots Collaboration Program described in section 1602(a).

"(4) Before a project loan is made to a borrower country, the country is to be required to hold open hearings on the proposed project during project identification and project preparation.

"(5) The establishment of assessment procedures which allow affected parties and nongovernmental organizations to review information describing a prospective project or policy loan design, in a timely manner, before the loan is submitted to the Executive Board for approval.

"SEC. 1618. POPULATION, HEALTH, AND NUTRITION PROGRAMS.

"The Secretary of the Treasury shall instruct the United States Executive Director of the International Bank for Reconstruction and Development to urge the bank to support an increase in the amount the bank lends annually to support population, health, and nutrition programs of the borrower countries.".

(b) INTERNATIONAL FINANCIAL INSTUTITIONS PROVISIONS.—

(1) POLICY PROVISIONS.—The International Financial Institutions Act (22 U.S.C. 262c et seq.), as amended by subsection (a)(2) of this section, is amended by redesignating section 1619 as section 1620 and by inserting after section 1618 the following:

"SEC. 1619. EQUAL EMPLOYMENT OPPORTUNITIES.

"The Secretary of the Treasury shall instruct the United States Executive Directors of the multilateral development banks and of the International Monetary Fund to use the voices and votes of the Executive Directors to urge their respective banks and the Fund to adopt a policy which provides, and implement procedures which ensure, that such banks and the Fund, and the affiliates of such banks and of the Fund, shall not discriminate against any person

on the basis of race, ethnicity, gender, color, or religious affiliation in any determination related to employment.".

(2) MISCELLANEOUS TECHNICAL CORRECTIONS RELATING TO THE INTERNATIONAL DEVELOPMENT AND FINANCE ACT OF 1989.—Section 701(g) of the International Financial Institutions Act (22 U.S.C. 262d(g)) is amended—

(A) by striking "(2)"; and

(B) by striking "specified in paragraph (1)" and inserting "of the Committee on Banking, Finance and Urban Affairs of the House of Representatives and of the Committee on Foreign Relations of the Senate".

(3) COMPARABLE STATUS FOR THE UNITED STATES EXECUTIVE DIRECTOR OF THE AFRICAN DEVELOPMENT BANK.—Section 1333(a) of the African Development Bank Act (22 U.S.C. 290i-1(a)) is amended by striking "Governor and an Alternate Governor" and inserting "Governor, an Alternate Governor, and a Director".

(c) EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT.—

(1) SHORT TITLE.—This subsection may be cited as the "European Bank for Reconstruction and Development Act".

(2) ACCEPTANCE OF MEMBERSHIP.—The President is hereby authorized to accept membership for the United States in the European Bank for Reconstruction and Development (in this subsection referred to as the "Bank") provided for by the agreement establishing the Bank (in this subsection referred to as the "Agreement"), signed by May 29, 1990.

(3) GOVERNOR AND ALTERNATE GOVERNOR.—

(A) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank, an alternate for the Governor, and a Director of the Bank.

(B) COMPENSATION.—Any person who serves as a Governor of the Bank or as an alternate for the Governor may not receive any salary or other compensation from the United States by reason of such service.

(4) APPLICABILITY OF CERTAIN PROVISIONS OF THE BRETTON WOODS AGREEMENTS ACT.—Section 4 of the Bretton Woods Agreements Act shall apply to the Bank in the same manner in which such section applies to the International Bank for Reconstruction and Development and the International Monetary Fund.

(5) FEDERAL RESERVE BANKS AS DEPOSITORIES.—Any Federal Reserve Bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

(6) SUBSCRIPTION OF STOCK.—

(A) SUBSCRIPTION AUTHORITY.—

(i) IN GENERAL.—The Secretary of the Treasury may subscribe on behalf of the United States to 100,000 shares of the capital stock of the Bank.

(ii) EFFECTIVENESS OF SUBSCRIPTION COMMITMENT.—Any commitment to make such subscription shall be ef-

fective only to such extent or in such amounts as are provided for in advance by appropriations Acts.

(B) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For payment by the Secretary of the Treasury of the subscription of the United States for shares described in subparagraph (A), there are authorized to be appropriated $1,167,010,000 without fiscal year limitation.

(C) DISPOSITION OF NET INCOME DISTRIBUTIONS BY THE BANK.—Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

(7) JURISDICTION AND VENUE OF CIVIL ACTIONS BY OR AGAINST THE BANK.—

(A) JURISDICTION.—The United States district courts shall have original and exclusive jurisdiction of any civil action brought in the United States by or against the Bank.

(B) VENUE.—For purposes of section 1391(b) of title 28, United States Code, the Bank shall be deemed to be a resident of the judicial district in which the principal office of the Bank in the United States, or its agent appointed for the purpose of accepting service or notice of service, is located.

(8) EFFECTIVENESS OF AGREEMENT.—The Agreement shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in the Bank and the entry into force of the Agreement.

(9) EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE BANK; REPORTS REQUIRED.—

(A) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Bank (including any guaranty by the Bank, whether or not limited in scope) in connection with the raising of funds for inclusion in the Bank's ordinary capital resources as defined in article 7 of the Agreement and any securities guaranteed by the Bank as to both principal and interest to which the commitment in article 6, paragraph 4, of the Agreement is expressly applicable, shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 and section 3(a)(12) of the Securities Exchange Act of 1934. The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(B) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, may suspend the provisions of subparagraph (A) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to the Congress

such information as it shall deem advisable with regard to the operations and effect of this paragraph.

(10) Technical amendments.—

(A) Annual report required on participation of the United States in the Bank.—Section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) is amended by inserting "European Bank for Reconstruction and Development," before "International Development Association,".

(B) Exemption from limitations and restrictions on power of national banking associations to deal in and underwrite investment securities of the Bank.—The 7th sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by inserting "the European Bank for Reconstruction and Development," before "the Inter-American Development Bank,".

(C) Benefits for United States citizen-representatives to the Bank.—Section 51 of the Act entitled "An Act to authorize United States participation in increases in the resources of certain international financial institutions, to provide for an annual audit of the Exchange Stabilization Fund by the General Accounting Office, and for other purposes." (Public Law 91–599; 22 U.S.C. 276c–2) is amended by inserting "the European Bank for Reconstruction and Development," before "the Inter-American Development Bank,".

(11) Congressional consultations.—During negotiations on the establishment of operational guidelines for the Bank, the Secretary of the Treasury shall—

(A) consult on a regular and timely basis with the Committee on Banking, Finance and Urban Affairs and the Committee on Appropriations of the House of Representatives, and the Committee on Foreign Relations and the Committee on Appropriations of the Senate;

(B) seek to ensure that procedures and mechanisms are established, including the creation of specific departments or staffs within the Bank, which will allow the Bank to assess the impact of any loans, guarantees, or other activities on the environment and on internationally recognized human rights in borrower countries; and

(C) report, through consultation within 90 days after the date of the enactment of this Act, to the Committees specified in subparagraph (A) on the progress of efforts to create such procedures and mechanisms.

(d) Export-Import Bank Provisions.—

(1) Increase in amounts authorized to be appropriated for the tied aid credit fund; extension of authorization.—Section 15(e)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i–3(e)(1)) is amended by striking "and for fiscal years 1990 and 1991, $300,000,000" and inserting "for fiscal year 1990, $300,000,000, and for each of fiscal years 1991 and 1992, $500,000,000".

(2) CONFORMING AMENDMENT.—Section 15(c)(2) of such Act (12 U.S.C. 635i–3(c)(2)) is amended by striking "1991" and inserting "1992".

(e) INTERNATIONAL FINANCE CORPORATION PROVISIONS.—

(1) EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE INTERNATIONAL FINANCE CORPORATION.—

(A) EXEMPTION FROM SECURITIES LAWS; REPORTS REQUIRED.—The International Finance Corporation Act (22 U.S.C. 282 et seq.) is amended by adding at the end the following:

"SEC. 13. SECURITIES ISSUED BY THE CORPORATION.

"(a) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Corporation (including any guaranty by the Corporation, whether or not limited in scope) and any securities guaranteed by the Corporation as to both principal and interest shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 and section 3(a)(12) of the Securities Exchange Act of 1934. The Corporation shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Corporation and its operations and necessary in the public interest or for the protection of investors.

"(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with the National Advisory Council on International Monetary and Financial Problems, is authorized to suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Corporation during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section.".

(B) EXEMPTION FROM LIMITATIONS AND RESTRICTIONS ON POWER OF NATIONAL BANKING ASSOCIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES OF THE INTERNATIONAL FINANCE CORPORATION.—The 7th sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by striking "the African Development Bank or the Inter-American Investment Corporation,", and inserting "the African Development Bank, the Inter-American Investment Corporation, or the International Finance Corporation,".

And the Senate agree to the same.

Amendment numbered 142:

That the House recede from its disagreement to the amendment of the Senate numbered 142, and agree to the same with an amendment, as follows:

After subsection (g) inserted in said amendment, insert the following:

(h) Any funds made available during fiscal year 1991 to carry out the purposes of this section, either appropriated by this Act or derived by transfer from any other source, in excess of $7,500,000 shall

be subject to the regular reprogramming procedures of the Committees on Appropriations.

And the Senate agree to the same.

Amendment numbered 144:

That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment, as follows:

In lieu of "Section 5669(d)" named in said amendment, insert: *Section 566(d);* and the Senate agree to the same.

Amendment numbered 146:

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *not less than $7,500,000 to be derived in equal amounts from funds appropriated to carry out chapter 1 of part I and chapter 4 of part II shall be*; and the Senate agree to the same.

Amendment numbered 150:

That the House recede from its disagreement to the amendment of the Senate numbered 150, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *"$378,000,000 for fiscal year 1991, of which amount not less than $300,000,000 shall be for stockpiles in Israel"*; and the Senate agree to the same.

Amendment numbered 152:

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendement, as follows:

In lieu of subsection (b)(1) inserted by said amendment, insert:

(1) the state of emergency in Pakistan did not interfere in the fair conduct of National Assembly elections;

In subsection (b)(2) after the words "parties and all" insert: *legal*

In lieu of subsection (b)(4) inserted by said amendment, insert:

(4) the process of convening the National Assembly is progressing without interference.

And the Senate agree to the same.

Amendment numbered 155:

That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *for such purposes as:*

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or; and the Senate agree to the same.

Amendment numbered 156:

That the House recede from its disagreement to the amendment of the Senate numbered 156, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included

in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

And the Senate agree to the same.

Amendment numbered 159:

That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

SEC. 579. (a) None of the funds made available by this Act for the European Bank for Reconstruction and Development may be obligated until the President reaches an agreement or agreements, as necessary, with the Polish Government or with other creditors, the authority to enter into which he is hereby granted notwithstanding any other provision of law, which accurately reflect the real collectability of the debts of the Polish Government to the Government of the United States and which adjusts the amount of debt and debt service payable by the Polish Government to the Government of the United States accordingly, subject to the following conditions:

(1) an International Monetary Fund agreement is in effect with respect to Poland, and it is clear that it is the intent of the Polish Government to continue full implementation of that program, and

(2) the recent historic change of the Polish Government into a democracy has been maintained, and

(3) the Polish Government is seeking comparable treatment of both public and private external debt.

(b) If the President determines that, in order to substantially increase the probability of other creditor governments and commercial bankers taking actions adjusting or restructuring their Polish debt to reflect its real collectability, it is best for the United States to use the authority contained in subsection (a), then the President may exercise the authority of subsection (a) unilaterally.

(c) Funds may be obligated notwithstanding subsection (a) subject to the regular notification procedures of the Committees on Appropriations.

And the Senate agree to the same.

Amendment numbered 161:

That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment, as follows:

In lieu of the words "two years" named in said amendment, insert: *three years*; and the Senate agree to the same.

Amendment numbered 163:

That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows:

After "Sec. 583." named in said amendment, delete: "(a)"

After the words "section 570 of this Act" insert: *: Provided further, That local currencies made available for the Jagiellonian University under this heading shall be made available only to the extent that they do not diminish planned funding for the American Children's Hospital, Krakow, Poland*

Delete subsection (b) inserted in said amendment.

And the Senate agree to the same.

Amendment numbered 164:

That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with an amendment, as follows:

After the word "operations" in subsection (3), insert: *and establishment of a system of public notification and comment during the development of EBRD policies and operating procedures*

After the words "restoration and protection" named in subsection (4) of said amendment, delete "; and" and all that follows through "training" named in subsection (5) of said amendment.

And the Senate agree to the same.

Amendment numbered 166:

That the House recede from its disagreement to the amendment of the Senate numbered 166, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

IRAQ SANCTIONS ACT OF 1990

SEC. 586. SHORT TITLE.

Section 586 through 586J of this Act may be cited as the "Iraq Sanctions Act of 1990".

SEC. 586A. DECLARATIONS REGARDING IRAQ'S INVASION OF KUWAIT.

The Congress—

(1) condemns Iraq's invasion of Kuwait on August 2, 1990;

(2) supports the actions that have been taken by the President in response to that invasion;

(3) calls for the immediate and unconditional withdrawal of Iraqi forces from Kuwait;

(4) supports the efforts of the United Nations Security Council to end this violation of international law and threat to international peace;

(5) supports the imposition and enforcement of multilateral sanctions against Iraq;

(6) calls on United States allies and other countries to support fully the efforts of the United Nations Security Council, and to take other appropriate actions, to bring about an end to Iraq's occupation of Kuwait; and

(7) condemns the brutal occupation of Kuwait by Iraq and its gross violations of internationally recognized human rights in Kuwait, including widespread arrests, torture, summary executions, and mass extrajudicial killings.

SEC. 586B. CONSULTATIONS WITH CONGRESS.

The President shall keep the Congress fully informed, and shall consult with the Congress, with respect to current and anticipated events regarding the international crisis caused by Iraq's invasion of Kuwait, including with respect to United States actions.

SEC. 586C. TRADE EMBARGO AGAINST IRAQ.

(a) CONTINUATION OF EMBARGO.—Except as otherwise provided in this section, the President shall continue to impose the trade embargo and other economic sanctions with respect to Iraq and Kuwait

that the United States is imposing, in response to Iraq's invasion of Kuwait, pursuant to Executive Orders Number 12724 and 12725 (August 9, 1990) and, to the extent they are still in effect, Executive Orders Number 12722 and 12723 (August 2, 1990). Notwithstanding any other provision of law, no funds, credits, guarantees, or insurance appropriated or otherwise made available by this or any other Act for fiscal year 1991 or any fiscal year thereafter shall be used to support or administer any financial or commercial operation of any United States Government department, agency, or other entity, or of any person subject to the jurisdiction of the United States, for the benefit of the Government of Iraq, its agencies or instrumentalities, or any person working on behalf of the Government of Iraq, contrary to the trade embargo and other economic sanctions imposed in accordance with this section.

(b) HUMANITARIAN ASSISTANCE.—To the extent that transactions involving foodstuffs or payments for foodstuffs are exempted "in humanitarian circumstances" from the prohibitions established by the United States pursuant to United Nations Security Council Resolution 661 (1990), those exemptions shall be limited to foodstuffs that are to be provided consistent with United Nations Security Council Resolution 666 (1990) and other relevant Security Council resolutions.

(c) NOTICE TO CONGRESS OF EXCEPTIONS TO AND TERMINATION OF SANCTIONS.—

(1) NOTICE OF REGULATIONS.—Any regulations issued after the date of enactment of this Act with respect to the economic sanctions imposed with respect to Iraq and Kuwait by the United States under Executive Orders Number 12722 and 12723 (August 2, 1990) and Executive Orders Number 12724 and 12725 (August 9, 1990) shall be submitted to the Congress before those regulations take effect.

(2) NOTICE OF TERMINATION OF SANCTIONS.—The President shall notify the Congress at least 15 days before the termination, in whole or in part, of any sanction imposed with respect to Iraq or Kuwait pursuant to those Executive Orders.

(d) RELATION TO OTHER LAWS.—

(1) SANCTIONS LEGISLATION.—The sanctions that are described in subsection (a) are in addition to, and not in lieu of the sanctions provided for in section 586G of this Act or any other provision of law.

(2) NATIONAL EMERGENCIES AND UNITED NATIONS LEGISLATION.—Nothing in this section supersedes any provision of the National Emergencies Act or any authority of the President under the International Emergency Economic Powers Act or section 5(a) of the United Nations Participation Act of 1945.

SEC 586D. COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

(a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security

Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq into its customs territory, and

(2) the export of its products to Iraq.

SEC. 586E. PENALTIES FOR VIOLATIONS OF EMBARGO.

Notwithstanding section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) and section 5(b) of the United Nations Participation Act of 1945 (22 U.S.C. 287c(b))—

(1) a civil penalty of not to exceed $250,000 may be imposed on any person who, after the date of enactment of this Act, violates or evades or attempts to violate or evade Executive Order Number 12722, 12723, 12724, or 12725 or any license, order, or regulation issued under any such Executive Order; and

(2) whoever, after the date of enactment of this Act, willfully violates or evades or attempts to violate or evade Executive Order Number 12722, 12723, 12724, or 12725 or any license, order, or regulation issued under any such Executive Order—

(A) shall, upon conviction, be fined not more than $1,000,000, if a person other than a natural person; or

(B) if a natural person, shall, upon conviction, be fined not more than $1,000,000, be imprisoned for not more than 12 years, or both.

Any officer, director, or agent of any corporation who knowingly participates in a violation, evasion, or attempt described in paragraph (2) may be punished by imposition of the fine or imprisonment (or both) specified in subparagraph (B) of that paragraph.

SEC. 586F. DECLARATIONS REGARDING IRAQ'S LONG-STANDING VIOLATIONS OF INTERNATIONAL LAW.

(a) IRAQ'S VIOLATIONS OF INTERNATIONAL LAW.—The Congress determines that—

(1) the Government of Iraq has demonstrated repeated and blatant disregard for its obligations under international law by violating the Charter of the United Nations, the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (done at Geneva, June 17, 1925), as well as other international treaties;

(2) the Government of Iraq is a party to the International Covenant on Civil and Political Rights and the International

Covenant on Economic, Social, and Cultural Rights and is obligated under the Covenants, as well as the Universal Declaration of Human Rights, to respect internationally recognized human rights;

(3) the State Department's Country Reports on Human Rights Practices for 1989 again characterizes Iraq's human rights record as "abysmal";

(4) Amnesty International, Middle East Watch, and other independent human rights organizations have documented extensive, systematic, and continuing human rights abuses by the Government of Iraq, including summary executions, mass political killings, disappearances, widespread use of torture, arbitrary arrests and prolonged detention without trial of thousands of political opponents, forced relocation and deportation, denial of nearly all civil and political rights such as freedom of association, assembly, speech, and the press, and the imprisonment, torture, and execution of children;

(5) since 1987, the Government or Iraq has intensified its severe repression of the Kurdish minority of Iraq, deliberately destroyed more than 3,000 villages and towns in the Kurdish regions, and forcibly expelled more than 500,000 people, thus effectively depopulating the rural areas of Iraqi Kurdistan;

(6) Iraq has blatantly violated international law by initiating use of chemical weapons in the Iran-Iraq war;

(7) Iraq has also violated international law by using chemical weapons against its own Kurdish citizens, resulting in tens of thousands of deaths and more than 65,000 refugees;

(8) Iraq continues to expand its chemical weapons capability, and President Saddam Hussein has threatened to use chemical weapons against other nations;

(9) persuasive evidence exists that Iraq is developing biological weapons in violation of international law;

(10) there are strong indications that Iraq has taken steps to produce nuclear weapons and has attempted to smuggle from the United States, in violation of United States law, components for triggering devices used in nuclear warheads whose manufacture would contravene the Treaty on the Non-Proliferation of Nuclear Weapons, to which Iraq is a party; and

(11) Iraqi President Saddam Hussein has threatened to use terrorism against other nations in violation of international law and has increased Iraq's support for the Palestine Liberation Organization and other Palestinian groups that have conducted terrorist acts.

(b) HUMAN RIGHTS VIOLATIONS.—The Congress determines that the Government of Iraq is engaged in a consistent pattern of gross violations of internationally recognized human rights. All provisions of law that impose sanctions against a country whose government is engaged in a consistent pattern of gross violations of internationally recognized human rights shall be fully enforced against Iraq.

(c) SUPPORT FOR INTERNATIONAL TERRORISM.—(1) The Congress determines that Iraq is a country which has repeatedly provided support for acts of international terrorism, a country which grants sanctuary from prosecution to individuals or groups which have

committed an act of international terrorism, and a country which otherwise supports international terrorism. The provisions of law specified in paragraph (2) and all other provisions of law that impose sanctions against a country which has repeatedly provided support for acts of internationial terrorism, which grants sanctuary from prosecution to an individual or group which has committed an act of internationial terrorism, or which otherwise supports international terrorism shall be fully enforced against Iraq.

(2) The provisions of law referred to in paragraph (1) are—

(A) section 40 of the Arms Export Control Act;

(B) section 620A of the Foreign Assistance Act of 1961;

(C) sections 555 and 556 of this Act (and the corresponding sections of predecessor foreign operations appropriations Acts); and

(D) section 555 of the International Security and Development Cooperation Act of 1985.

(d) MULTILATERAL COOPERATION.—The Congress calls on the President to seek multilateral cooperation—

(1) to deny dangerous technologies to Iraq;

(2) to induce Iraq to respect internationally recognized human rights; and

(3) to induce Iraq to allow appropriate international humanitarian and human rights organizations to have access to Iraq and Kuwait, including the areas in northern Iraq traditionally inhabited by Kurds.

SEC. 586G. SANCTIONS AGAINST IRAQ.

(a) IMPOSITION.—Except as provided in section 586H, the following sanctions shall apply with respect to Iraq:

(1) FMS SALES.—The United States Government shall not enter into any sale with Iraq under the Arms Export Control Act.

(2) COMMERCIAL ARMS SALES.—Licenses shall not be issued for the export to Iraq of any item on the United States Munitions List.

(3) EXPORTS OF CERTAIN GOODS AND TECHNOLOGY.—The authorities of section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) shall be used to prohibit the export to Iraq of any goods or technology listed pursuant to that section or section 5(c)(1) of that Act (50 U.S.C. App. 2404(c)(1)) on the control list provided for in section 4(b) of that Act (50 U.S.C. App. 2403(b)).

(4) NUCLEAR EQUIPMENT, MATERIALS, AND TECHNOLOGY.—

(A) NRC LICENSES.—The Nuclear Regulatory Commission shall not issue any license or other authorization under the Atomic Energy Act of 1954 (42 U.S.C. 2011 and following) for the export to Iraq of any source or special nuclear material, any production or utilization facility, any sensitive nuclear technology, any component, item, or substance determined to have significance for nuclear explosive purposes pursuant to section 109b, of the Atomic Energy Act of 1954 (42 U.S.C. 2139(b)), or any other material or technology requiring such a license or authorization.

(B) DISTRIBUTION OF NUCLEAR MATERIALS.—The authority of the Atomic Energy Act of 1954 shall not be used to distribute any special nuclear material, source material, or byproduct material to Iraq.

(C) DOE AUTHORIZATIONS.—The Secretary of Energy shall not provide a specific authorization under section 57b. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2077(b)(2)) for any activity that would constitute directly or indirectly engaging in Iraq in activities that require a specific authorization under that section.

(5) ASSISTANCE FROM INTERNATIONAL FINANCIAL INSTITUTIONS.—The United States shall oppose any loan or financial or technical assistance to Iraq by international financial institutions in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d).

(6) ASSISTANCE THROUGH THE EXPORT-IMPORT BANK.—Credits and credit guarantees through the Export-Import Bank of the United States shall be denied to Iraq.

(7) ASSISTANCE THROUGH THE COMMODITY CREDIT CORPORATION.—Credit, credit guarantees, and other assistance through the Commodity Credit Corporation shall be denied to Iraq.

(8) FOREIGN ASSISTANCE.—All forms of assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 and following) other than emergency assistance for medical supplies and other forms of emergency humanitarian assistance, and under the Arms Export Control Act (22 U.S.C. 2751 and following) shall be denied to Iraq.

(b) CONTRACT SANCTITY.—For purposes of the export controls imposed pursuant to subsection (a)(3), the date described in subsection (m)(1) of section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) shall be deemed to be August 1, 1990.

SEC. 586H. WAIVER AUTHORITY.

(a) IN GENERAL.—The President may waive the requirements of any paragraph of section 586G(a) if the President makes a certification under subsection (b) or subsection (c).

(b) CERTIFICATION OF FUNDAMENTAL CHANGES IN IRAQI POLICIES AND ACTIONS.—The authority of subsection (a) may be exercised 60 days after the President certifies to the Congress that—

(1) the Government of Iraq—

(A) has demonstrated, through a pattern of conduct, substantial improvement in its respect for internationally recognized human rights;

(B) is not acquiring, developing, or manufacturing (i) ballistic missiles, (ii) chemical, biological, or nuclear weapons, or (iii) components for such weapons; has forsworn the first use of such weapons; and is taking substantial and verifiable steps to destroy or otherwise dispose of any such missiles and weapons it possesses; and

(C) does not provide support for international terrorism;

(2) the Government of Iraq is in substantial compliance with its obligations under international law, including—

(A) the Charter of the United Nations;

(B) the International Covenant on Civil and Political Rights (done at New York, December 16, 1966) and the International Covenant on Economic, Social, and Cultural Rights (done at New York, December 16, 1966);

(C) the Convention on the Prevention and Punishment of the Crime of Genocide (done at Paris, December 9, 1948);

(D) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (done at Geneva, June 17, 1925);

(E) the Treaty on the Non-Proliferation of Nuclear Weapons (done at Washington, London, and Moscow, July 1, 1968); and

(F) the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (done at Washington, London, and Moscow, April 10, 1972); and

(3) the President has determined that it is essential to the national interests of the United States to exercise the authority of subsection (a).

(c) CERTIFICATION OF FUNDAMENTAL CHANGES IN IRAQI LEADERSHIP AND POLICIES.—The authority of subsection (a) may be exercised 30 days after the President certifies to the Congress that—

(1) there has been a fundamental change in the leadership of the Government of Iraq; and

(2) the new Government of Iraq has provided reliable and credible assurances that—

(A) it respects internationally recognized human rights and it will demonstrate such respect through its conduct;

(B) it is not acquiring, developing, or manufacturing and it will not acquire, develop, or manufacture (i) ballistic missiles, (ii) chemical, biological, or nuclear weapons, or (iii) components for such weapons; has forsworn the first use of such weapons; and is taking substantial and verifiable steps to destroy or otherwise dispose of any such missiles and weapons it possesses;

(C) it is not and will not provide support for international terrorism; and

(D) it is and will continue to be in substantial compliance with its obligations under international law, including all the treaties specified in subparagraphs (A) through (F) of subsection (b)(2).

(d) INFORMATION TO BE INCLUDED IN CERTIFICATIONS.—Any certification under subsection (b) or (c) shall include the justification for each determination required by that subsection. The certification shall also specify which paragraphs of section 586G(a) the President will waive pursuant to that certification.

SEC. 586I. DENIAL OF LICENSES FOR CERTAIN EXPORTS TO COUNTRIES ASSISTING IRAQ'S ROCKET OR CHEMICAL, BIOLOGICAL, OR NUCLEAR WEAPONS CAPABILITY.

(a) RESTRICTION ON EXPORT LICENSES.—None of the funds appropriated by this or any other Act may be used to approve the licensing for export of any supercomputer to any country whose government the President determines is assisting, or whose government of-

ficials the President determines are assisting, Iraq to improve its rocket technology or chemical, biological, or nuclear weapons capability.

(b) NEGOTIATIONS.—The President is directed to begin immediate negotiations with those governments with which the United States has bilateral supercomputer agreements, including the Government of the United Kingdom and the Government of Japan, on conditions restricting the transfer to Iraq of supercomputer or associated technology.

SEC. 586J. REPORTS TO CONGRESS.

(a) STUDY AND REPORT ON THE INTERNATIONAL EXPORT TO IRAQ OF NUCLEAR, BIOLOGICAL, CHEMICAL, AND BALLISTIC MISSILE TECHNOLOGY.—(1) The President shall conduct a study on the sale, export, and third party transfer or development of nuclear, biological, chemical, and ballistic missile technology to or with Iraq including—

(A) an identification of specific countries, as well as companies and individuals, both foreign and domestic, engaged in such sale or export of, nuclear, biological, chemical, and ballistic missile technology;

(B) a detailed description and analysis of the international supply, information, support, and co-production network, individual, corporate, and state, responsible for Iraq's current capability in the area of nuclear, biological, chemical, and ballistic missile technology; and

(C) a recommendation of standards and procedures against which to measure and verify a decision of the Government of Iraq to terminate the development, production, co-production, and deployment of nuclear, biological, chemical, and offensive ballistic missile technology as well as the destruction of all existing facilities associated with such technologies.

(2) The President shall include in the study required by paragraph (1) specific recommendations on new mechanisms, to include, but not be limited to, legal, political, economic and regulatory, whereby the United States might contribute, in conjunction with its friends, allies, and the international community, to the management, control, or elimination of the threat of nuclear, biological, chemical, and ballistic missile proliferation.

(3) Not later than March 30, 1991, the President shall submit to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives, a report, in both classified and unclassified form, setting forth the findings of the study required by paragraph (1) of this subsection.

(b) STUDY AND REPORT ON IRAQ'S OFFENSIVE MILITARY CAPABILITY.—(1) The President shall conduct a study on Iraq's offensive military capability and its affect on the Middle East balance of power including an assessment of Iraq's power projection capability, the prospects for another sustained conflict with Iran, joint Iraqi-Jordanian military cooperation, the threat Iraq's arms transfer activities pose to United States allies in the Middle East, and the extension of Iraq's political-military influence into Africa and Latin America.

(2) Not later than March 30, 1991, the President shall submit to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives, a report, in both classified and unclassified form, setting forth the findings of the study required by paragraph (1).

(c) REPORT ON SANCTIONS TAKEN BY OTHER NATIONS AGAINST IRAQ.—(1) The President shall prepare a report on the steps taken by other nations, both before and after the August 2, 1990, invasion of Kuwait, to curtail the export of goods, services, and technologies to Iraq which might contribute to, or enhance, Iraq's nuclear, biological, chemical, and ballistic missile capability.

(2) The President shall provide a complete accounting of international compliance with each of the sanctions resolutions adopted by the United Nations Security Council against Iraq since August 2, 1990, and shall list, by name, each country which to his knowledge, has provided any assistance to Iraq and the amount and type of that assistance in violation of each United Nations resolution.

(3) The President shall make every effort to encourage other nations, in whatever forum or context, to adopt sanctions toward Iraq similar to those contained in this section.

(4) Not later than every six months after the date of enactment of this Act, the President shall submit to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives, a report in both classified and unclassified form, setting forth the findings of the study required by paragraph (1) of this subsection.

And the Senate agree to the same.

Amendment numbered 168:

That the House recede from its disagreement to the amendment of the Senate numbered 168, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *SEC. 587*; and the Senate agree to the same.

Amendment numbered 169:

That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment, as follows:

In lieu of "SEC. 589" named in said amendment insert: *SEC. 588*

In lieu of the sum "$50,000,000" named in said amendment, insert: *$25,000,000*; and the Senate agree to the same.

Amendment numbered 172:

That the House recede from its disagreement to the amendment of the Senate numbered 172, and agree to the same with an amendment, as follows:

In lieu of "SEC. 599A" named in said amendment insert: *SEC. 589*; and the Senate agree to the same.

Amendment numbered 173:

That the House recede from its disagreement to the amendment of the Senate numbered 173, and agree to the same with an amendment, as follows:

In lieu of "SEC. 599B" named in said amendment insert: *SEC. 590*; and the Senate agree to the same.

Amendment numbered 175:

That the House recede from its disagreement to the amendment of the Senate numbered 175, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

NOTIFICATIONS FOR EMERGENCY ASSISTANCE

SEC. 591. The prior notification requirements contained in section 523 of this Act may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to this section shall contain an explanation of the circumstances necessitating the use of the authority of this section.

And the Senate agree to the same.

Amendment numbered 176:

That the House recede from its disagreement to the amendment of the Senate numbered 176, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SUPPORT FOR EGYPTIAN MILITARY DEPLOYMENTS IN THE GULF

SEC. 592. MULTILATERAL DEBT NEGOTIATIONS.—The Congress finds that Egypt has official debt obligations that far exceed the amounts owed to the United States. The Congress further finds that Egypt's debt situation can be addressed effectively only in a multilateral context involving its major creditor governments and addressing both military and economic debt.

Therefore, before the authority contained in subsection (b) is exercised, the President shall seek to convene a multilateral conference of the major official creditors of the Government of Egypt for the purpose of adjusting Egypt's official debt in a manner which reflects the real collectability of that debt.

The President in such negotiations shall explicitly and strongly encourage other governments holding major amounts of Egyptian military debt to give that debt the same treatment that it is being accorded by the United States.

(a) DEBT MORATORIUM.—(1) There shall be a moratorium on the payment obligation by Egypt beginning on October 1, 1990, and ending on March 31, 1991, with respect to the notes described in paragraph (2);

(2) the notes with respect to which this moratorium shall apply are all notes made by Egypt evidencing amounts owed by Egypt to the United States (or any agency of the United States) as a result of loans made before October 1, 1990, by the United States (or any of its agencies) to Egypt under the Arms Export Control Act (all such loans being hereinafter collectively referred to as the "AECA Loans");

(3) section 518 of this Act, section 620(g) of the Foreign Assistance Act of 1961, and any other provision that similarly restricts the furnishing of assistance to countries in default on payment to the United States of principal or interest shall not apply during the moratorium described in paragraph (1) with respect to amounts owed by Egypt under the AECA Loans; and

(4) nothing in this subsection shall interfere with, or otherwise diminish, the obligation of the Secretary of Defense as guarantor with respect to the AECA Loans.

(b) DEBT CONSOLIDATION IN THE DEPARTMENT OF DEFENSE.--As soon as feasible after the enactment of this Act, the Secretary of Defense shall—

(1) issue to the Secretary of the Treasury sufficient notes or other obligations to purchase all notes made by Egypt evidencing amounts owed by Egypt to the United States (or any agency of the United States), other than amounts already owed to the Secretary of Defense, as a result of AECA Loans; and

(2) purchase all such notes made by Egypt, such purchase being considered to discharge the responsibilities of the Secretary of Defense as guarantor of such notes.

(c) PRESIDENTIAL REPORT ON THE REAL VALUE OF EGYPTIAN DEBT OWED TO THE UNITED STATES AND PRESIDENTIAL MILITARY DEBT REDUCTION AUTHORITY.—After the Department of Defense has taken the actions described in subsection (b),

(1) the President shall submit a report to Congress in which he determines the value of the AECA Loans and all other loans owed by Egypt to the United States based on realistic payment expectations as of October 1, 1990, and an explanation of the factors considered by the President in determining the value; and

(2) after the President has submitted the report to Congress provided for in paragraph (1), the President may

(A) reduce the amount owed by Egypt to the Secretary of Defense to an amount that equals the value of the AECA Loans as determined by the President in the report described in paragraph (1);

(B) direct the Secretary of Defense to amend, modify or otherwise alter the notes described in subsection (a)(2) so that the amended, modified or altered notes (the "amended notes") evidence a principal amount owed by Egypt to the Secretary of Defense equal to the value of the AECA Loans as determined under paragraph (1), and contain such terms and conditions as the President may determine consistent with the purposes of this section, provided that such terms and conditions shall not—

(i) reflect any interest accrued in respect of the period between October 1, 1990, and March 31, 1991; and

(ii) require Egypt to make any payment before March 31, 1991; and

(C) reduce the amount owed by the Secretary of Defense under all notes or other obligations issued by the Secretary of Defense to the Secretary of the Treasury that are related to any guarantees of any AECA Loans (including all notes or other obligations issued under subsection (b)) by multi-

plying it by a fraction, the numerator of which shall equal the value of the AECA Loans as determined under paragraph (1), and the denominator of which shall equal the sum of (i) the amount owed by the Secretary of Defense under notes issued to the Secretary of the Treasury pursuant to Subsection (b)(1), plus (ii) the amount owed by Egypt as a result of the AECA Loans to the Secretary of Defense as of October 1, 1990, plus (iii) the amount that Egypt would have owed as a result of the AECA Loans to the Secretary of Defense in respect of the period beginning October 1, 1990, and ending immediately before the President makes the reduction described in subsection (c)(2)(A).

The military debt reduction authority provided by this subsection shall be limited such that no reduction shall result in a decrease in the principal value of the AECA Loans below the discounted net present value which would result from a restructuring of the AECA Loans according to the terms and conditions which apply to the loans of the International Development Association, (principal shall be repayable over 40 years and shall bear no interest, and there shall be a 10 year grace period after which period 2 per centum of the loan shall be repaid annually for a period of 10 years, and 4 per centum of the loan shall be repaid annually during the remaining years).

(d) DEBT CANCELLATION AUTHORITY.—(1) The President, notwithstanding any other provision of law, in the context of the multilateral debt negotiations provided for in this section may reduce to zero the amended notes (in the manner specified in subsection (e)(2) (A) and (B)) only if other major holders of Egyptian military debt agree to equal or comparable reductions. If such other creditors do not agree to comparable reductions in their Egyptian military debt the President shall so report to Congress.

(2) If the President reports to Congress under paragraph (1) then he may further determine that it is essential to the national security interests of the United States to unilaterally cancel the requirement of Egypt to repay the United States for such Egyptian military debt.

(e) CONSIDERATIONS.—(1) In making this determination under subsection (d)(2), the President may consider—

(A) the unique nature of Egypt's contribution to Desert Shield, and its leadership role in supporting international efforts in the face of Iraqi aggression in the Arabian Peninsula;

(B) the impact on the Egyptian economy of the events surrounding the Iraqi aggression;

(C) the long-term prospects for economic growth and stability in Egypt, and the effect on those prospects of such a determination;

(D) the role that Egypt's assumption of FMS debt played in furtherance of the common security interests of Egypt and the United States, and the role if any that such debt was expected to have relative to other forms of official debt in generating income and promoting growth in the Egyptian economy;

(E) the willingness of other countries to participate in efforts to address the issue of official Egyptian military debt on a multilateral basis; and

(F) any other national security interests of the United States; and

(2) If the President determines in the report provided for in subsection (d) that doing so is essential to the success of Desert Shield, or to enhance peace and stability in the Middle East, then he is hereby authorized to reduce to zero—

(A) the amount owed by Egypt to the Secretary of Defense under the amended notes; and

(B) the amount owed by the Secretary of Defense under all notes or other obligations issued by the Secretary of Defense to the Secretary of the Treasury that are related to any guarantees of any AECA Loans, including all notes or other obligations issued under subsection (b)(1).

(f) The President may carry out the purposes of this section notwithstanding any other provision of law.

And the Senate agree to the same.

Amendment numbered 177:

That the House recede from its disagreement to the amendment of the Senate numbered 177, and agree to the same with an amendment, as follows:

In lieu of "Sec. 599F" named in said amendment insert: *Sec. 593*

Strike all after the words "freedoms of expression" and insert in lieu thereof: *: Provided, That none of the funds appropriated by this Act under the headings "Economic Support Fund" and "Foreign Military Financing Program" may be obligated or expended for Kenya until 30 days after such report is transmitted to the Congress.*; and the Senate agree to the same.

Amendment numbered 178;

That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows:

In lieu of "Sec. 599G" named in said amendment insert: *Sec. 594*; and the Senate agree to the same.

Amendment numbered 179:

That the House recede from its disagreement to the amendment of the Senate numbered 179, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *Sec. 595*; and the Senate agree to the same.

Amendment numbered 180:

That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows:

In lieu of "Sec. 599I" named in said amendment insert: *Sec. 596*

On line 10, page 170, of the hand engrossed Senate amendments after "such" insert: *nonlethal*

On line 15, page 170, of the hand engrossed Senate amendments after "transfer" insert: *nonlethal*

On line 23, page 170, of the hand engrossed Senate amendments after "the" insert: *nonlethal*

On line 13, page 171, of the hand engrossed Senate amendments after "ring" insert: *nonlethal*

On line 18, page 171, of the hand engrossed Senate amendments after "of" insert: *nonlethal*

On line 2, page 172, of the hand engrossed Senate amendments after "furnished" insert: *nonlethal*

On line 4, page 172, of the hand engrossed Senate amendments after "value of the" insert: *nonlethal*

On line 9, page 172, of the hand engrossed Senate amendments after "of" insert: *nonlethal*

On line 13, page 172, of the hand engrossed Senate amendments after "of" insert: *nonlethal*

On line 19, page 172, of the hand engrossed Senate amendments after "the" insert: *nonlethal*

After line 24, page 172, insert the following new subsection:

(d) During fiscal year 1991, the provisions of section 573(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, shall be applicable, for the period specified therein, to excess defense articles made available under sections 516 and 519 of the Foreign Assistance Act of 1961.

And the Senate agree to the same.

Amendment numbered 181:

That the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment, as follows:

In lieu of "SEC. 599J" named in said amendment insert: *SEC. 597*

Strike lines 9 through 15 on page 173 of the hand engrossed Senate amendments and insert in lieu thereof:

(1) the Government of El Salvador has made significant progress in establishing an independent civilian judiciary and prosecutorial and investigative system. For purposes of this paragraph "significant progress" means certification that—

Strike subsection (c) of said amendment.

And the Senate agree to the same.

Amendment numbered 182:

That the House recede from its disagreement to the amendment of the Senate numbered 182, and agree to the same with an amendment, as follows:

In lieu of "SEC. 599K" named in said amendment insert: *SEC. 598*; and the Senate agree to the same.

Amendment numbered 183:

That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment insert:

PRIORITY DELIVERY OF EQUIPMENT

SEC. 599. Notwithstanding any other provision of law, the delivery of excess defense articles that are to be transferred on a grant basis under Section 516 of the Foreign Assistance Act to NATO allies and to major non-NATO allies on the southern and southeastern flank of NATO shall be given priority to the maximum extent feasible over the delivery of such excess defense articles to other countries.

And the Senate agree to the same.

Amendment numbered 184:

That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

YUGOSLAVIA

SEC. 599A. Six months after the date of enactment of this Act, (1) none of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to provide any direct assistance to the Federal Republic of Yugoslavia, and (2) the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any assistance of the respective institutions to the Federal Republic of Yugoslavia: Provided, That this section shall not apply to assistance intended to support democratic parties or movements, emergency or humanitarian assistance, or the furtherance of human rights: Provided further, That this section shall not apply if all six of the individual Republics of the Federal Republic of Yugoslavia have held free and fair multiparty elections and are not engaged in a pattern of systematic gross violations of human rights: Provided further, That notwithstanding the failure of the individual Republics of the Socialist Federal Republic of Yugoslavia to have held free and fair multiparty elections within six months of the enactment of this Act, this section shall not apply if the Secretary of State certifies that the Socialist Federal Republic of Yugoslavia is making significant strides toward complying with the obligations of the Helsinki Accords and is encouraging any Republic which has not held free and fair multiparty elections to do so.

And the Senate agree to the same.

Amendment numbered 186:

That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment, as follows:

In lieu of "SEC. 599O" named in said amendment, insert: *SEC. 599B*

On line 8, page 185 of the hand engrossed Senate amendments strike out: *"not less than"*; and the Senate agree to the same.

Amendment numbered 188:

That the House recede from its disagreement to the amendment of the Senate number 188, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

BENEFITS FOR UNITED STATES HOSTAGES IN IRAQ AND KUWAIT AND UNITED STATES HOSTAGES CAPTURED IN LEBANON

SEC. 599C. (a) ELIGIBILITY.—United States hostages in Iraq and Kuwait, and United States hostages captured in Lebanon, shall subject to the availability of funds under subsection (e), be entitled to the benefits described in this section. Except as otherwise prvoovided in this section or other provision of law, no such individual or any family member shall receive any benefit under the provisions of title 5, United States Code.

(b) Payments for Duration of Hostage Status, Life Insurance, and Health Insurance.—(1) Not later than 30 days after the date of enactment of this Act, the Office of Personnel Management, after consultation with the Department of State, shall prescribe regulations, consistent with this section, for the application of the provisions of chapter 87 (relating to life insurance) and chapter 89 (relating to health insurance) of title 5, United States Code, to the United States hostages in Iraq or Kawait, and United States hostages captured in Lebanon, and their family members for the period that such hostages remain in hostage status.

(2) United States hostages in Iraq or Kuwait, and United States hostages captured in Lebanon, shall, subject to the availability of funds under subsection (e), be paid at the rate of pay for a position at GS–9 of the General Schedule for the period in which such hostages remained in a hostage status without the hostages (or their family members on their behalf) receiving salaries or wages from their employers.

(3) During the period of an individual's hostage status and during the 12-month period after the hostage status of that individual ceases, such individual and his family members shall, subject to the availability of funds under subsection (e), be entitled to health benefits covered by paragraph (1) if such benefit were not provided by any other insurance coverage.

(4) During the period of an individual's hostage status and during the 12-month period after the hostage status of that individual ceases, that individual shall, subject to the availability of funds under subsection (e), be entitled to life insurance benefits covered by paragraph (1) if such benefits were not provided by any other insurance coverage.

(c) Administration of Authorities.—(1) For purposes of this section, the Secretary of State shall certify to such officer of the United States as may require such information the names of the United States hostages in Iraq and Kuwait, and United States hostages captured in Lebanon, and their family members.

(2) For purposes of the protection of the identity of any individual, the Secretary of State may submit any certification under this subsection in classified form.

(3) The Secretary of State may require of any individual such verification of hostage status as he may deem necessary.

(d) Definitions.—For purposes of this section—

(1) the term "hostage status" means, with respect to United States hostages in Iraq and Kuwait, the status of being held in custody by governmental or military authorities of a country or taking refuge within that country in fear of being taken into such custody (including residing in any diplomatic mission or consular post in that country); and, with respect to United States hostages captured in Lebanon, the status of a person described in paragraph (4)(B);

(2) the term "family members" means spouses, dependents, and any individuals who are members of the households of United States hostages in Iraq and Kuwait or United States hostages captured in Lebanon;

(3) the term "United States economic sanctions against Iraq" means the exercise of authorities under the International Emer-

gency Economic Powers Act by the President with respect to financial transactions with Iraq;

(4)(A) the term "United States hostages in Iraq and Kuwait" means United States nationals, or family members of United States nationals, who are in a hostage status in Iraq or Kuwait during the period beginning on August 2, 1990, and terminating on the date on which United States economic sanctions against Iraq are lifted; and

(B) the term "United States hostages captured in Lebanon" means United States nationals who have been forcibly detained, held hostage, or interned by an enemy government or its agents, or a hostile force, in Lebanon since January 1, 1990.

(5) the term "United States national" means any individual who is a citizen of the United States or who, though not a citizen of the United States, owes permanent allegiance to the United States.

(e) ALLOCATION OF FUNDS.—(1) Of the funds appropriated by this Act under the heading "Economic Support Fund", up to $10,000,000 shall be available to carry out this section.

(2) The authority to obligate funds under the authority provided by this section shall expire six months after the date of enactment of this Act.

And the Senate agree to the same.

Amendment numbered 190:

That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment, as follows:

In lieu of "SEC. 559T" named in said amendment insert: *SEC. 599D*; and the Senate agree to the same.

Amendment numbered 191:

That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *SEC. 599E*; and the Senate agree to the same.

Amendment numbered 192:

That the House recede from its disagreement to the amendment of the Senate numbered 192, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *SEC. 599F*; and the Senate agree to the same.

Amendment numbered 193:

That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment, as follows:

In lieu of the section number named in the amendment, insert: *Sec. 599G*

After the words "sense of the" named in subsection (b) of said amendment, strike "Senate" and insert: *Congress*; and the Senate agree to the same.

Amendment numbered 194:

That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment, as follows:

In lieu of section number "Sec. 599X" named in said amendment insert: *Sec. 599H*

In lieu of paragraph (c) inserted by said amendment, insert:

(c) Penalties.—After consulting with the Attorney General and the Director of the Office of National Drug Control Policy, the President shall impose penalties or sanctions including temporarily or permanently prohibiting any corporation, partnership, individual or business association (i) refusing to maintain records for the purpose of monitoring and regulating transactions of listed precursor chemicals, or (ii) refusing to make such records available to United States law enforcement authorities for investigative purposes (in coordination with the local law enforcement agency in which such corporation, partnership, individual, or business association resides, is created or has its principal place of business) from engaging in any or all transactions, in goods or services, within the commerce of the United States.

And the Senate agree to the same.

Amendment numbered 195:

That the House recede from its disagreement to the amendment of the Senate numbered 195, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *Sec. 599I*; and the Senate agree to the same.

Amendment numbered 196:

That the House recede from its disagreement to the amendment of the Senate numbered 196, and agree to the same with an amendment, as follows:

In lieu of the section number named in said amendment insert: *Sec. 599J*; and the Senate agree to the same.

Amendment numbered 198:

That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment insert:

Sec. 599K. Funds appropriated in the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991 for title III of the Agricultural Trade Development and Assistance Act of 1954 shall be made available for the donation of commodities as authorized by law.

And the Senate agree to the same.

David R. Obey,
Sidney R. Yates,
Matthew F. McHugh,
William Lehman,
Charles Wilson,
William H. Gray III,
Bob Mrazek,
Ron Coleman,
Jamie L. Whitten,
Jerry Lewis
(except for enterprise for Americas initiative—amendment 141),
John Porter
(except for enterprise for Americas initiative—amendment 141),
Dean Gallo
(except for enterprise for Americas initiative—amendment 141),
Silvio O. Conte,
Managers on the Part of the House.

Patrick J. Leahy,
Daniel K. Inouye,
Dennis DeConcini,
Frank R. Lautenberg,
Tom Harkin,
Barbara A. Mikulski,
Robert C. Byrd,
Robert W. Kasten, Jr.,
Alfonse D'Amato,
Warren Rudman,
Arlen Specter,
Don Nickles,
Ted Stevens,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5114) making appropriations for Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1991, and for other purposes submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Amendment No. 1: Appropriates $110,592,409 for the International Bank for Reconstruction and Development as proposed by the Senate instead of $50,000,795 as proposed by the House.

Amendment No. 2: Inserts language which withholds 25 percent of the funds appropriated for the International Bank for Reconstruction and Development from obligation until the Secretary of the Treasury submits a report on actions the Bank has taken during fiscal year 1990 and contemplated for fiscal year 1991 in support of energy, forestry conservation and family planning activities.

INTERNATIONAL FINANCE CORPORATION

The conferees understand that the Treasury Department has been discussing the issue of a capital increase for the International Finance Corporation with other countries for some time.

The Joint World Bank/IMF Development Committee, meeting on September 24th, noted that given the changes made in Eastern Europe and the distinct movement of many developing countries toward the private sector, IFC's resources will become constrained. The group of 24 nations called for a decision on an IFC capital increase by the end of the year.

The conferees direct the Department to complete its evaluation of IFC's capital increase soon in order to allow other IFC shareholding nations to make their decisions on IFC's capital increase by the end of the year.

Amendment No. 3: Deletes language proposed by the Senate relating to night vision equipment.

Amendment No. 4: Deletes language proposed by the Senate conforming PL 480 provisions. The conferees agree to provide the proposed language as part of Amendment Number 198.

LIMITATION ON CALLABLE CAPITAL

Amendment No. 5: Limits callable capital subscriptions of the Internationl Bank for Reconstruction and Development to $2,899,610,241 as proposed by the Senate instead of $1,619,692,365 as proposed by the House.

INTER-AMERICAN INVESTMENT CORPORATION

Amendment No. 6: Provides $13,000,000 for the Inter-American Investment Corporation Capital Stock as proposed by the House.

ASIAN DEVELOPMENT FUND

Amendment No. 7: Appropriates $126,854,000 for the Asian Development Fund. The Senate had proposed $187,882,457. The House had proposed $243,900,000.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Amendment No. 8: Appropriates $70,020,600 for the initial United States paid-in capital share for the European Bank for Reconstruction and Development as proposed by the House instead of $56,820,600 as proposed by the Senate.

Amendment No. 9: Deletes Senate language requiring authorization of the European Development Bank prior to expenditure of funds.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Amendment No. 10: Appropriates $284,730,000 for International Organizations and Programs as proposed by the Senate instead of $268,750,000 as proposed by the House.

The conferees have agreed that the $15,800,000 earmarked for the United Nations Environment Program be allocated as follows:

$15,000,000 is to go directly to the United Nations Environment Program's Environment Fund, and;

$800,000 is to be used to support other multilateral activities such as the Vienna Convention for Protection of the Ozone Layer, the Cartagena Convention for the Protection and Development of the Marine Environment of the Wider Caribbean Region, and the South Pacific Regional Seas Program and Related Protocols.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS EARMARKS

Amendment No. 11: Earmarks $109,000,000 for the United Nations Development program as proposed by the Senate instead of $104,000,000 as proposed by the House.

Amendment No. 12: Earmarks $450,000 for the World Heritage Fund as proposed by the Senate instead of $220,000 as proposed by the House.

Amendment No. 13: Earmarks $500,000 for the Tropical Forestry Action Plan.

Also, earmarks $250,000 for the Ramsar Convention on Wetlands of International Importance Especially as Waterfowl Habitat.

Amendment No. 14: Earmarks $30,000,000 for the United States contribution to the replenishment of the International Fund for Agricultural Development as proposed by the Senate instead of $20,000,000 as proposed by the House.

Amendment No. 15: Inserts language proposed by the Senate requiring the Secretary of State to make certain determinations on the Tropical Forestry Action Plan and report them to Congress prior to making funds available for that program.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

Amendment No. 16: Earmarks $225,000 for the Associate Professional Officers Program instead of $375,000 as proposed by the House.

Amendment No. 17: Deletes earmark proposed by the House which would have provided $5,000,000 for the International Fund For Agricultural Development. The conferees agree to provide funding for IFAD under the International Organizations and Programs account.

WORLD AGRICULTURAL DEVELOPMENT FOUNDATION

In 1990 the World Agricultural Development Foundation, as referred to in the Senate Report, was developed as a private sector home for several major agricultural development programs. The conferees recommend that the Agency for International Development provide up to $1,000,000 for the World Agricultural Development Foundation to be matched by private sources.

POPULATION, DEVELOPMENT ASSISTANCE

Amendment No. 18/19: The conferees have included language in the bill which states that, in providing development assistance funds in order to satisfy earmarks that may be derived from development assistance accounts, funds made available to carry out population programs are not to be reduced by a proportion which is greater than other development assistance accounts. In implementing this provision, the conferees recognize that individual development assistance accounts contain their own particular earmarks which make it difficult for those accounts to be used proportionately to provide a share of the funding for more general earmarks which are derived from all development accounts. However, the conferees expect that after taking into consideration the statutory demands on the individual AID accounts, family planning not be reduced by a proportion that is greater than other development assistance accounts.

Amendment No. 20: Inserts a provision requiring that 65 percent of funding under the Population, Development Assistance account be used for the Office of Population, as proposed by the Senate.

Amendment No. 21: Provides for up to 5 percent of Population, Development Assistance funds to be used for operating expenses for the administration of family planning assistance programs.

HEALTH, DEVELOPMENT ASSISTANCE

Amendment No. 22: Deletes an earmark of $3,500,000 as proposed by the House for the Gorgas Memorial Institute of Tropical And Preventive Medicine. The conferees agree that the Agency for International Development should examine the needs of the Gorgas Institute and find ways to assist its programs during fiscal year 1991.

Both the House and the Senate have earmarked $5,000,000 for the River Blindness Program. It is the intention of the conferees that a portion of this amount may be provided to private voluntary organizations to distribute ivermectin in OCP and non-OCP countries. The conferees expect PVO's to work within the framework of host countries' national river blindness control programs.

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAM

Amendment No. 23: Earmarks $23,000,000 within the International AIDS Prevention and Control Program for the World Health Organization for its use in financing the Global Program on AIDS, including activities implemented by the Pan American Health Organization instead of $26,000,000 as proposed by the House or $21,000,000 as proposed by the Senate. The conferees agree that both the World Health Organization and the Agency for International Development need to strengthen their management of their AIDS programs and to initiate better coordination between the two organizations.

Amendment No. 24: Provides waivers for AIDS Prevention and Control Programs in countries under the "Brooke Amendment", and waives all other prohibitions with the exception of countries listed under terrorist country prohibitions.

EDUCATION AND HUMAN RESOURCES, DEVELOPMENT ASSISTANCE

SOVIET AND EAST EUROPEAN RESEARCH AND TRAINING

Amendment No. 25: Earmarks $5,400,000 for Soviet and East European research and training under the Department of State's Title VIII program on Soviet and regional studies as proposed by the House.

NORTH/SOUTH CENTER

Amendment No. 26: Earmarks $10,000,000 for the Center for Cultural and Technical Interchange Between North and South as proposed by the House. The $10,000,000 in funding for the North/South Center is to promote better relations between the United States and the nations of Latin America and the Caribbean and Canada through programs of education, cooperative study, training and research. It is the conferees intent that the funds provided be utilized to greatly expand the activities of the North/South Center, located in Florida and associated with the University of Miami, so that it may operate a range of programs with respect to the Western Hemisphere similar to those conducted by the East/West Center established pursuant to legislation enacted in 1960 to promote better relations between the United States and the countries of Asia and the Pacific. The conferees expect the University of Miami to establish cooperative agreements and to include academic exchange programs with the University of Texas system and the Texas A & M University system.

PRIMARY AND SECONDARY EDUCATION

Amendment No. 27: Earmarks $67,100,000 in Education and Human Resources Development assistance for primary and secondary education as proposed by the Senate. The provision also requires that the Agency For International Development must initiate three new bilateral projects in basic primary and secondary education in fiscal year 1991, and that at least two of the projects are to be initiated in sub-Saharan Africa.

INTERNATIONAL STUDENT EXCHANGE PROGRAM

Amendment No. 28: Earmarks $20,000,000 for the International Student Exchange Program, of which $3,000,000 is sub-earmarked for Poland, Czechoslovakia and Hungary.

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY DEVELOPMENT ASSISTANCE

Amendment No. 29: Deletes House language earmarking funds for elephant conservation. The conference agreement addresses this earmark under Amendment Number 123.

Amendment No. 30: Deletes House language earmarking funds for the Agency for International Development Office of Energy. The conference agreement addresses this earmark under Amendment Number 123.

Amendment No. 31: Deletes House language earmarking funds for the Agency for International Development for environment and global warming activities. The conference agreement addresses this earmark under Amendment Number 123.

Amendment No. 32: Deletes House language requiring that earmarks described in amendments 29–31 be funded under the Private Sector, Environment and Energy Development Assistance account.

TECHNICAL ASSISTANCE

Amendment No. 33: Earmarks $150,000 through the Agency for International Development for the United Staes Bureau of Labor Statistics to provide technical assistance for the training of statisticians and economists in Czechoslovakia and the Soviet Union as proposed by the House. These funds will help the Bureau of Labor Statistics assist and train personnel in the development of accurate statistical measurements as these countries move from centralized economies to market economies.

INTERNATIONAL ARID LANDS RESEARCH AND COORDINATION

The conferees agree that the Agency for International Development should follow the report language concerning arid lands research and coordination included in the Senate report.

MICRO ENTERPRISE DEVELOPMENT

Amendment No. 34: Earmarks $75,000,000 for Micro Enterprise Development, as proposed by the Senate. The provision also allows local currencies to be used in order to make up the Micro Enterprise earmark.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

Amendment No. 35: Appropriates $800,000,000 for sub-Saharan Africa, of which not less than $50,000,000 is to support activities supported by the Southern Africa Development Coordination Conference, and up to $3,500,000 is for non-government private enterprise development in South Africa. Language related to criteria for implementing programs in Africa is addressed in Amendment Number 141.

ZAIRE

Amendment No. 36: Inserts language prohibiting development assistance funds from being transferred to Zaire and clarifying that nongovernmental organizations are not prohibited from working with appropriate ministries or departments of the Government of Zaire. Both the House and the Senate provided prohibitions to funding for Zaire, and raised questions concerning reported corruption and human rights violations in that country. However, in order to provide a continuation of humanitarian programs and child survival activities in Zaire the conferees agree that development programs in Zaire may be funded, but funding for programs should not go through the Government of Zaire. The conferees agree that the Agency for International Development should carefully monitor development assistance provided for programs in Zaire and exercise strong fiscal control.

The conferees wish to clarify that under this provision no obligated funds can be transferred to the Government of Zaire. The provision would not therefore prohibit activities from being undertaken with nongovernmental organizations so long as contracts or grants are entered into with those organizations by the Agency for International Development and not by the Government of Zaire. Similarly, the prohibition would not bar AID from procuring with bilateral funds commodities, such as medicines and vaccines used in child survival activities in Zaire.

HUMANITARIAN ASSISTANCE FOR CAMBODIAN CHILDREN

Amendment No. 37: Inserts language proposed by the Senate allowing United States private and voluntary organizations to be part of the program to provide assistance to Cambodian children.

ASSISTANCE FOR LATVIA, LITHUANIA, AND ESTONIA

Amendment No. 38: Deletes an earmark proposed by the Senate pertaining to development and Economic Support Fund assistance for U.S. private and voluntary organizations assisting organizations and individuals in Latvia, Lithuania and Estonia.

APPROPRIATE TECHNOLOGY

Amendment No. 39: Appropriates $1,000,000 for Appropriate Technology International. The conferees agree that the funding provided is additive to the $3,000,000 operating budget presently funded under the AID-ATI cooperative agreement. Also, the conference agreement provides that ATI should qualify, along with any cooperative development organization, for development assistance funds appropriated or otherwise made available for United States private and voluntary organizations.

The conferees are in full agreement with language in the Senate report, which states: "In its technology and small enterprise development activities Appropriate Technology International assists private small producers in developing countries in implementation of section 107 of the Foreign Assistance Act. In the past, ATI has experienced certain management problems, but the Committee is encouraged that new leadership in 1990 is more sharply focusing ATI's mission, scaling up ATI's collaborative work with major international donors, and providing expert services to USAID missions abroad."

HUMANITARIAN ASSISTANCE FOR ROMANIA

Amendment No. 40: Inserts Senate language earmarking $3,000,000 in assistance for children in Romania.

CARIBBEAN COUNTRIES

The conferees urge the Agency for International Development to pay greater attention to the island nations of the Caribbean. Despite these nations' longstanding embrace of democratic principles and free markets, they have yet to be the focus of any concerted development program on the part of AID.

The Agency for International Development is to develop an outline of the four or five most pressing infrastructural or sectoral shortfalls of the Commonwealth Caribbean on a country by country basis, as well as the four or five most promising bases of social and economic development.

It is the hope of the conferees that this would provide a starting point for more in depth discussion regarding the economic potential of the region. For fiscal year 1991, the conferees urge that AID allocate no less than $20,000,000 above the President's request to this region in development assistance and that no one country should receive more than 10 percent of the total increase.

PRIVATE SECTOR REVOLVING FUND

Amendment No. 41: Provides a limitation of $57,000,000 for the Private Sector Revolving Fund instead of $12,500,000 as proposed by the House or $62,500,000 as proposed by the Senate.

Amendment No. 42: Provides language leaving the project guarantee loan ceiling at $3,000,000. However, the conferees agree to allow two pilot projects not to exceed $10,000,000 in loan guarantees each. Also, the conferees agree to provide a back up reserve to the Private Sector Revolving Fund through assistance provided under the Economic Support Fund, and a $15,000,000 direct loan program.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

Amendment No. 43: Appropriates $29,000,000 for American Schools and Hospitals Abroad, instead of $35,000,000 as proposed by the Senate and $23,000,000 as proposed by the House.

The conferees agree with the Senate report which reaffirms strong support for the ASHA projects in China. While there is much more that the Chinese government should be doing in the area of human rights that would help reduce the strained relations between our two countries, the conferees believe that the United States should continue to maintain open communications with and support those elements in China who are committed to meaningful reforms in the economic, political, and human rights fields.

Over the past several years, the House and Senate have encouraged and supported ASHA projects in China as a demonstration of how citizens of our two countries can work together for mutual understanding and rebuild Sino-American exchanges in the fields of education and medicine. The conferees strongly support these projects because they are designed to help keep open the opportunities for economic and political progress in China through their unique people-to-people exchange programs.

The American educational and medical institutions now sponsoring the ASHA projects in China have been particularly effective in establishing excellent relationships and sound projects with their Chinese colleagues and Nanjing and Fudan Universities and the Shanghai First People's Hospital. The conferees are aware of the very positive reports about the work being done at these institutions.

The conferees believe these projects merit continued ASHA program funding support in fiscal year 1991.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 44: Deletes language proposed by the House providing a limitation of $15,000,000 on the contribution to the Foreign Affairs Administrative Support System (FAAS) of the Department of State by the Agency for International Development. The conferees agree that in the past there has been inequity in charges to AID by the Department of State in the FAAS. The conference agreement to lift the limitation on FAAS payments by AID has been done with the understanding that the FAAS charges to AID will not exceed $15,000,000 in fiscal year 1991. The Department of State is to brief the Committees on Appropriations on any changes in the FAAS system. The conferees feel that any revisions to the program should enhance cost effectiveness, improve efficiency, and provide equity among participating agencies. If this is not done the conferees believe that a limitation in the future on AID payments to FAAS will be appropriate.

The amendment also includes a provision that requires the Agency for International Development to station one professional at either the Consulate General in Jerusalem or the Embassy in Tel Aviv in order to effectively monitor AID programs for the West Bank and Gaza.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 45: Appropriates $33,884,000 as proposed by the Senate instead of $31,384,000 as proposed by the House for operating expenses for the Office of the Inspector General.

Amendment No. 46: Inserts a personnel ceiling for the Inspector General at 251 as proposed by the Senate instead of 240 as proposed by the House.

Amendment No. 47: Provides up to $1,000,000 in Eastern European assistance for the Inspector General to audit Eastern European programs.

Amendment No. 48: Inserts language which allows at the discretion of the AID Inspector General the establishment of an IG regional office in Europe to audit Eastern European programs.

ECONOMIC SUPPORT FUND

FUNDING LEVEL

Amendment No. 49: Appropriates $3,141,000,000 as proposed by the Senate instead of $3,460,000,000 as proposed by the House.

ASSISTANCE TO ISRAEL

Amendment No. 50: Inserts Senate language which allows the use of up to $200,000,000 of the Economic Support Funds made available for Israel to be used for any of the purposes for which military assistance is provided.

ASSISTANCE TO EL SALVADOR

Amendment No. 51: Inserts a Senate provision which withholds $1,500,000 designated for El Salvador's Special Investigative Unit until a report is submitted by the Secretary of State.

The conferees express their dismay at the continued inability of the government of El Salvador to resolve the matter of the expropriation without compensation of the San Salvador Electric Light Company, CAESS. Despite numerous expressions of intent by the administration and the Congress that it be resolved, this case remains unsolved.

This bill contains language which requires that the President report on the extent to which demonstrable progress has been made in resolving the CAESS matter prior to the disbursement of the fiscal year 1991 ESF funds. To expedite current discussions, the presidential report should include a detailed discussion of the extent to which progress has been made on such key components of the talks as basic approach, tax treatment, and currency convertibility. By prescribing this degree of specificity in the report, it is intended that the administration redouble its efforts to resolve this matter once and for all.

ASSISTANCE TO JORDAN

Amendment No. 52: Earmarks $35,000,000 for Jordan as proposed by the House.

ASSISTANCE TO MOROCCO

Amendment No. 53: Earmarks $20,000,000 for Morocco as proposed by the Senate.

ASSISTANCE TO PERU, BOLIVIA AND COLOMBIA

Amendment No. 54: Inserts language permitting up to $62,500,000 of Economic Support Funds to be used for ESF, Administration of Justice, law enforcement and military assistance programs in Peru, Bolivia and Colombia. If funding is provided through the Foreign Military Financing Program it must be provided within ceilings for Peru, Bolivia and Colombia in that account.

UNIVERSITY OF CENTRAL AMERICA

Amendment No. 55: Inserts Senate language requiring the United States and El Salvador to jointly program El Salvador colones equivalent of $10,000,000 for the purpose of retiring the debt owed by the University of Central America to the Inter-American Development Bank.

TIED-AID CREDITS

Amendment No. 56: Inserts language increasing the limitation on tied-aid credits from $50,000,000 as proposed by the House to $300,000,000 as proposed by the Senate.

DEBT FOR DEVELOPMENT

Amendment No 57: Restores House provision permitting up to $20,000,000 in Economic Support funds to provide grant assistance to capitalize an endowment to be used by nongovernmental organizations to purchase the discounted commercial debt of Mexico as part of a debt for development swap.

The conferees commend AID for its support of innovative approaches to providing assistance for education and human resources development projects. The International Foundation for Education and Self-Help's (IFESH) debt for development initiative currently underway in Nigeria, Guinea, and Niger, among other countries, offers a unique model for the much needed development and expansion of the human resource infrastructure in developing countries.

The conferees recommend that AID provide up to $10,000,000 to expand its debt for development initiatives in Africa and elsewhere in the developing world. Attention should be given to initiatives of private voluntary organizations, including PVO joint ventures.

The conferees reaffirm their support for the establishment of a debt-for-development endowment for Mexico. United States Government funds contributed to the endowment are to be matched by other commitments from foundations, universities and the private sector. The endowment should be administered by the non-federal donors. These funds can be used to purchase Mexican debt on the secondary market. Mexico would contribute in local currency to help finance mutually agreed upon development projects in an amount at least equal to the share of the United States.

The provision also prohibits the use of Development Assistance Funds for tied-aid credits.

ANTARCTIC PROTECTION ACT

Economic Support Funds in the amount of $200,000 have been earmarked for the Antarctic Protection Act.

LEBANON

Amendment No. 58: Deletes language earmarking $7,500,000 for Lebanon. The conferees have agreed to provide Lebanon with $7,500,000 as addressed in Amendment No. 146.

INTERNATIONAL FUND FOR IRELAND

Amendment No. 59: Appropriates $20,000,000 for the International Fund for Ireland, as proposed by the House.

Given the serious budget difficulties facing the United States, there was considerable debate among the managers on the part of the House and the Senate regarding the United States contributions to the International Fund for Ireland. Without attempting to minimize those differences, the conferees wish to take this opportunity to state certain points on which they agree.

The conferees agree that the primary responsibility for dealing with problems of economic and social development and reconciliation in northern Ireland rests with the governments of Great Britain and Ireland. The conferees also agree that those governments should continue to press for wider and more substantial international support for the International Fund for Ireland.

The conferees agree that the Fund has had some success in creating job opportunities, establishing small businesses, bringing people—Protestant and Catholic—together, and contributing to an improved climate of moderation and reconciliation. The conferees further agree that the Fund must continue to focus its efforts on projects that will create permanent, full-time jobs in the areas that have suffered most severely form the consequences of the instability of recent years. Finally, the conferees agree that the management of the Fund must make greater effort to ensure that monies made avialble to the Fund are not misused, and that programs, projects, and activities supported by the Fund are above reproach.

Disagreement continues to exist between the managers on the part of the House and the Senate concerning future U.S. contributions to the Fund.

MULTILATERAL ASSISTANCE INITIATIVE FOR THE PHILIPPINES

Amendment No. 60: Provides $160,000,000 for the Philippine Multilateral Assistance Initiative, of which $60,000,000 is provided by transfer equally from development assistance and the economic support fund.

Amendment No. 61: Provides that an additional $40,000,000 may be transferred to the Philippines under certain conditions.

ASSISTANCE FOR EASTERN EUROPE

Amendment No. 62: Provides $369,675,000 for the Eastern European assistance program, a split between the House and Senate levels.

TECHNICAL ASSISTANCE AND TRAINING

Amendment No. 63: Earmarks $113,675,000 for technical assistance and training instead of $80,000,000 as proposed by the House and $35,000,000 as proposed by the Senate.

Amendment No. 64: Deletes Senate proposal striking reference to the private sector in the technical assistance and training account for Eastern Europe.

HOUSING SECTOR

Amendment No. 65: Provides $15,000,000 for the Housing sector for Eastern Europe as proposed by the Senate instead of $30,000,000 as proposed by the House.

Amendment No. 66: Deletes the article "the".

Amendment No. 67: Strikes redundant language.

ENERGY AND ENVIRONMENT

Amendment No. 68: Inserts new language and retains proposed Senate language in the Eastern Europe environment and energy account. The language provides for emphasis on end-use energy efficiency, conservation, and reliance on renewable energy sources as well as allowing expenditures for a broad range of environment and energy related activities.

DEMOCRATIC PLURALISM

Amendment No. 69: Provides $19,000,000 instead of $7,500,000 as proposed by the House and $20,000,000 as proposed by the Senate for activities which foster democratic pluralism in Eastern Europe. The conferees agree to support programs which directly focus on improving the capacities of Eastern European parliaments. The conferees strongly support current proposals from two senior United States legislative taskforces addressing the needs of the Eastern European parliaments.

The conferees direct that the funds provided under the heading "Assistance for Eastern Europe" for activities to foster democratic pluralism, $750,000 be available only to assist development of the Polish Senat and Sejm Parliamentary Library and Research Center under the "Gift of Democracy to Poland" program established under Senate Concurrent Resolution 74 of the 101st Congress (agreed to October 26, 1989) sponsored by the joint bipartisan leadership. The conferees note that this year the joint leadership sponsored "Gift of Democracy" program has provided substantial guidance and implementation of information technology to the new

Polish Parliament which has become a model for assistance to other Eastern European countries.

The conferees also direct that the activities and program planned by the "Frost Taskforce" receive substantial funding in accord with the budget it has developed and provided to the conferees.

Amendment No. 70: Inserts Senate language emphasizing support for elected parliaments of Eastern European nations and for member and staff exchanges. The conferees agree that these funds are intended for the support of Eastern Europeans rather than to fund their United States counterparts.

ENTERPRISE FUNDS

Amendment No. 71: Inserts $90,000,000 for the Polish-American and Hungarian-American Enterprise Funds, instead of $113,675,000 proposed by the House and $72,500,000 proposed by the Senate. The conferees agree with House language restricting expenditures to the Funds to a minimum rate necessary but strongly emphasize that this language was done solely for financial outlay purposes and that AID is not to attempt to second-guess investment decisions. The conferees support the Senate report language on this matter.

Amendment No. 72: Strikes the word "and" as proposed by the Senate.

PRIVATE ENTERPRISE ACTIVITIES

Amendment No. 73: Inserts $27,000,000 for other priviate enterprise activities in Eastern Europe instead of $100,000,000 proposed by the House and $65,000,000 proposed by the Senate. This action was taken in order to provide the highest reasonable level to the technical assistance account.

AGRICULTURE

Amendment No. 74: Inserts Senate language on private enterprise, and creates and funds an agriculture account for Eastern Europe at $40,000,000 of which $10,000,000 is provided by transfer. Includes new language describing the purposes of the agriculture account including technical assistance and training and new language on agribusiness, credit, rural and market economies and food transport, storage, and privatization of state farms.

Amendment No. 75: Inserts Senate language allowing not more than 50 percent of the environment and health-related funds for Eastern Europe to go to any one country.

OPERATING EXPENSES

Amendment No. 76: Inserts Senate language allowing up to $1,000,000 of the Eastern European funds to be spent on operating expenses.

Amendment No. 77: Inserts a Senate technical amendment placing the Eastern European assistance program within the administrative authorities of economic assistance.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

Amendment No. 78: Inserts a limitation of $117,792,000 on the amount of funds that can be expended prior to the receipt of a report from the Secretary of State describing measures being taken to correct management deficiencies in the Bureau of International Narcotics.

ANTI-NARCOTICS RESOURCE REQUIREMENTS

Amendment No. 79: Inserts language proposed by the Senate requiring the President to undertake an analysis of anti-narcotics efforts and assets of transshipment countries. The conferees intend that the analysis of assets of transshipment countries concentrate on anti-narcotics assets.

MIGRATION AND REFUGEE ASSISTANCE

Amendment No. 80: Earmarks $500,000 for Tibetan refugees. The Senate proposed $1,000,000 for the Tibetan program and the conferees agree that every effort should be made to provide a $1,000,000 program for Tibetan refugees in fiscal year 1991.

Amendment No. 81: Earmarks $1,500,000 for the Thai-Cambodian Border Protection program as proposed by the Senate.

Amendment No. 82: Earmarks $1,500,000 for the Anti-Piracy program as proposed by the Senate.

Amendment No. 83: Earmarks $5,000,000 out of funds made available for the Economic Support Fund and Development assistance for the Affected Thai Village Program, as proposed by the Senate.

Amendment No. 84: Earmarks $10,000,000 for the Comprehensive Plan of Action as proposed by the Senate.

Amendment No. 85: Appropriates $8,528,000 for the Administrative Expenses account as proposed by the Senate instead of $8,250,000 as proposed by the House.

Amendment No. 86: Inserts Senate language requiring that the transfer of funds for refugee admissions be subject to the regular Committee notification process.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Amendment No. 87: Earmarks $1,000,000 for courses and other programs for civilians and military officials in managing, administering and training in management, judicial systems and military codes of conduct, as proposed by the Senate.

Amendment No. 88: Inserts Senate language prohibiting IMET funding for Malaysia, Zaire, Liberia, Sudan and Somalia.

Amendment No. 89: Inserts Senate language permitting civilian training under specific criteria for IMET funding.

FOREIGN MILITARY FINANCING PROGRAM

FUNDING LEVEL

Amendment No. 90: Appropriates $4,663,420,800 for the Foreign Military Financing Program grants instead of $4,229,920,800 as proposed by the House and $4,692,268,056 as proposed by the Senate.

ASSISTANCE FOR JORDAN

Amendment No. 91: Deletes $50,000,000 earmark for Jordan as proposed by the House.

EGYPTIAN FMS REPAYMENTS

Amendment No. 92: Deletes House provision indicating that not less than $100,000,000 in fiscal year 1991 FMF was to be used for the repayment of Egyptian Foreign Military Sales debt.

ASSISTANCE TO ISRAEL

Amendment No. 93: Provides that $1,695,000,000 in Foreign Military Financing for Israel by provided within 30 days of enactment or October 31, whichever is later, as proposed by the Senate.

Amendment No. 94: Inserts language which changes existing procedures on grant agreements with Foreign Military Financing recipient countries. The conferees wish to clarify that this provision does not remove the requirement for grant agreements to be signed with recipient countries of foreign military financing funding.

Amendment No. 95: Provides $403,500,000 for Foreign Military Financing program loans instead of $405,000,000 as proposed by the House and $0 proposed by the Senate, restores House language setting loan interest rates at not less than 5 percent, restores House language requiring changes in country funding levels in concessional financing allocations be submitted through regular notification procedures, and restores House language limiting gross obligations of direct loans not to exceed $403,500,000 instead of $405,000,000 as proposed by the House and $0 proposed by the Senate.

Amendment No. 96: Deletes House language specifying a 7 to 10 ratio for Foreign Military Financing program funds for Greece and Turkey and specifies certain allocations for loans and grants to those countries. Also, inserts language that if Turkey receives funds on a grant basis then not less than $30,000,000 in grant funds are to be provided to Greece.

Amendment No. 97: Deletes House language which would have required that uncommitted Foreign Military Sales balances for the Philippines be available for contract only until January 1, 1991.

THIRD COUNTRY TRANSFERS

Amendment No. 98: Inserts Senate language which expands current authority on third country transfers to allow countries to resell pre-1986 U.S. supplied arms to third countries.

AIRCRAFT LEASING

Amendment No. 99: Deletes Senate language which waives any requirement that Foreign Military Financing funds be used to loan or lease aircraft (including helicopters).

LIBERIA PROHIBITION

Amendment No. 100: Inserts a provision prohibiting FMF funding for Liberia.

ASSISTANCE TO MOROCCO

Amendment No. 101: Earmarks $43,000,000 for Morocco.

ASSISTANCE TO GREECE

Amendment No. 102: Earmarks $350,000,000 for Greece instead of $381,500,000 as proposed by the Senate.

ASSISTANCE TO TURKEY

Amendment No. 103: Earmarks $500,000,000 for Turkey instead of $545,000,000 as proposed by the Senate.

Amendment No. 104: Provides up to $100,000,000 in FMF for Portugual. The Senate had no ceiling, but the House had a limitation of $95,000,000.

SPECIAL DEFENSE ACQUISITION FUND

(Limitation on Obligations)

Amendment No. 105: Deletes section number proposed by the Senate.

Amendment No. 106: Provides a limitation of $350,000,000 for the Special Defense Acquisition Fund as proposed by the Senate instead of $278,796,000 as proposed by the House.

Amendment No. 107: Deletes a Senate provision earmarking $100,000,000 for Israel of SDAF authority to be payable over a three year period.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Amendment No. 108: Provides $20,000,000 for interest subsidy payments instead of $25,000,000 as proposed by the Senate or $8,000,000 as proposed by the House.

Amendment No. 109: Provides a limitation on gross obligations for interest subsidy payments of $20,000,000 instead of $25,000,000 as proposed by the Senate or $8,000,000 as proposed by the House.

Amendment No. 110: Deletes Senate language relating to Ex-Im in Eastern Europe. This matter is handled under amendment number 141.

TITLE V—GENERAL PROVISIONS

TRANSFERS BETWEEN ACCOUNTS

Amendment No. 111: Deletes language proposed by the House. The Amendment corrects a transition.

DEOBLIGATION/REOBLIGATION AUTHORITY

Amendment No. 112: Inserts new subsection designation proposed by the Senate.

Amendment No. 113: Inserts deobligation/reobligation authority for military assistance programs through the notification process as proposed by the Senate.

AVAILABILITY OF FUNDS

Amendment No. 114: Inserts citation proposed by the Senate.

Amendment No. 115: Strikes citation designation as proposed by the Senate which corrects a technical reference.

LIMITATION OF ASSISTANCE TO COUNTRIES IN DEFAULT

Amendment No. 116: Adds Nicaragua to the list of countries for which the "Brooke Amendment" is waived as proposed by the Senate.

The conferees strongly support the democratically-elected government of Violeta Chamorro and support her efforts to revitalize Nicaragua's economy.

Nicaragua has numerous arrearages to international financial institutions totalling more than $2.5 billion and an external debt of about $8 billion. For that reason, the conferees have included Nicaragua on the list of nations for which the "Brooke" provision is waived.

The conferees also support the Administration's request for Economic Support Funds for Nicaragua. Strong bipartisan support existed for the $300 million in supplemental appropriations for Nicaragua earlier this year. Although the 1991 budget request for ESF has not been fully appropriated in this bill, the conferees support the Administration's request of $200 million in ESF for Nicaragua and expect the Administration to provide as close as possible to its original request for Nicaragua.

NOTIFICATION REQUIREMENTS

Amendment No. 117: Deletes a House provision permitting exemption to the notification process.

Amendment No. 118: Deletes language proposed by the House addressing conditions under which Congress receives project notifications.

Amendment No. 119: Inserts language proposed by the Senate exempting certain categories of changes from Congressional notification requirements.

PROHIBITIONS AGAINST U.S. EMPLOYEES RECOGNIZING OR NEGOTIATING WITH PLO

Amendment No. 120: Restores language proposed by the House and strikes language proposed by the Senate.

EL SALVADOR

Amendment No. 121: Inserts language on policy toward El Salvador as proposed by the Senate with two alterations. The withholding of military assistance outlined in section 531(d)(1) would apply only to military assistance allocated for El Salvador for fiscal year 1991. The conferees understand that according to the Defense Security Assistance Agency, as of October 16, 1990, the total amount of unobligated military assistance in the pipeline for El Salvador was $10,349,000. The definition of the term "military assistance" described in section 531(j)(2)(B) was amended to include assistance to carry out section 23 of the Arms Export Control Act.

Concern was expressed about the possibility of impediments to future legislation the President might seek to alter or remove the El Salvador provision from the bill. Without in any way suggesting what their position might be on future legislation, the managers for both the Senate and the House express their commitment to seek expeditious consideration for any legislation requested by the President concerning a resumption of assistance prohibited pursuant to section 531(c)(2).

ENVIRONMENT AND GLOBAL WARMING

Amendment No. 122: Inserts language proposed by the Senate which prohibits funds in this Act from being available for any program, project or activity which would result in any significant loss of tropical forests or involve industrial timber extraction in primary tropical forest areas. The House had proposed a similar prohibition that addressed only loss of tropical forests.

Amendment No. 123: Inserts language proposed by the Senate which provides earmarks for environment and energy activities. The House had proposed similar earmarks. The conferees agreed to include an additional earmark of $100,000 for the Charles Darwin Station. In addition, the authority to use excess defense equipment for biological diversity activities was altered to specify that the authority was for nonlethal excess defense articles and small arms only. The notification requirements were also clarified.

MONTREAL PROTOCOL FACILITATION FUNDS

Amendment No. 124: Inserts Senate language allowing use of funds from both sections 103 and 106 of the Foreign Assistance Act of 1961 for this transfer.

AFGHANISTAN—HUMANITARIAN ASSISTANCE

Amendment No. 125: Restores House language specifying that up to $70,000,000 may be used for humanitarian assistance for Afghanistan. The conferees urge that this program receive a high priority in the allocation process and that the urgent needs of the people of Afghanistan be taken into account.

EL SALVADOR—INVESTIGATIONS OF MURDERS

Amendment No. 126: Inserts language proposed by the Senate inserting "and".

Amendment No. 127: Inserts Senate language adding the bombing of FENASTRAS headquarters to the list of cases included under this provision. The conferees also changed the date in the Senate language.

SPECIAL NOTIFICATION REQUIREMENTS

Amendment No. 128: Inserts Senate language including Guatemala in the list of countries requiring prior notification for use of funds in this Act.

CHILD SURVIVAL AND AIDS ACTIVITIES

Amendment No. 129: Inserts Senate language expanding Agency for International Development reimbursement authority for individuals working on AIDS prevention and child survival activities to include individuals from private voluntary organizations as well as institutions of higher learning.

Amendment No. 130: Inserts Senate language clarifying that such individuals involved in this program are not to be included in any personnel ceilings.

CHILE

Amendment No. 131: Inserts new subsection designation as proposed by the Senate.

Amendment No. 132: Inserts the Senate language which allows a specific exception to section 726(c) of the International Security Development Cooperation Act of 1981 for retrofitting of certain aircraft owned by the Chilean Air Force. A technical correction was also included changing "technical changes" to "time compliance".

DEFENSE EQUIPMENT DRAWDOWN

Amendment No. 133: Deletes language proposed by the House which would have limited the aggregate use of the authorities of section 506(a) of the Foreign Assistance Act of 1961 to $100,000,000.

Amendment No. 134: Deletes subsection designation as proposed by the Senate.

AUTHORIZATION REQUIREMENT

Amendment No. 135: Inserts waiver of authorization requirements as proposed by the Senate.

NOTIFICATION TO CONGRESS ON DEBT RELIEF AGREEMENTS

Amendment No. 136: Inserts new language requiring additional notifications on debt negotiations and an annual report. The conferees are concerned at the poor state of Paris Club record keeping at the Department of State. The Paris Club report required by the conferees last year was very poor and was missing considerable information. The conferees are further concerned that the Department is rarely complying with the existing reporting requirements. If State Department performance cannot improve in this regard the conferees may well consider the idea that these activities could be better handled by the Department of Treasury.

DEPLETED URANIUM

Amendment No. 137: Inserts Senate language which authorizes the President to waive prohibitions on the sale of M-833 antitank shells if to do so is in the national security interests of the United States.

COMMISSION ON FOREIGN ASSISTANCE MANAGEMENT

Amendment No. 138: Deletes a House provision withholding Economic Support Funds for Honduras. The Ramirez case has now been resolved. Inserts a new provision establishing a Commission on Foreign Assistance Management.

The conferees are concerned about the problems in AID's management of foreign assistance programs. In hearings in the Foreign Operations Subcommittees, in AID Inspector General Audits, and in General Accounting Office reports a persistent pattern of systemic problems of management, accountability and program evaluation has emerged. Therefore, the conferees are recommending bill language providing for the establishment of an independent commission to review management, accountability and evaluation issues in AID, and to report to the Administrator and Congress on measures which could strengthen overall management of the Agency. The provision requires that the independent commission provide recommendations for actions which may be taken administratively and for legislation where additional authorities may be necessary. This report will enable the Committees on Appropriations to take its findings and recommendations into account in the preparation of the fiscal year 1992 appropriaiton.

To meet the modest administrative and support costs of the independent commission, the conferees provide that up to $500,000 of AID's operating expenses may be allocated to the commission. The conferees expect AID and the AID Inspector General to detail personnel to provide staff support to the commission, and to make information on management matters available to the members of the commission.

NARCOTICS CONTROL PROGRAM

Amendment No. 139: Restores House language which provides a waiver of section 521 of this Act for Bolivia, Peru, Colombia, Ecuador, and Jamaica.

Amendment No. 140: Inserts Senate language which makes requirements to withhold assistance for major drug producing countries applicable to the countries receiving assistance under this section.

AUTHORIZATIONS

Amendment No. 141: Strikes House language on Cambodia and Senate language on Burma. Inserts authorization language for sub-Saharan Africa, Export-Import Bank authorities to work in Eastern Europe and the Bank's narcotics-related activities, and authorizes the European Bank for Reconstruction and Development and the International Development Association, as well as containing certain miscellaneous provisions regarding international financial institutions.

ASSISTANCE FOR CAMBODIAN DEMOCRACY

Amendment No. 142: Inserts Senate language providing up to $20,000,000 in humanitarian and development assistance for Cambodians including the Cambodian non-communist resistance under certain conditions. The conferees agreed that any funds either appropriated by this Act or derived by transfer in excess of $7,500,000 shall be subject to the regular reprogramming procedures.

STINGERS IN THE PERSIAN GULF

Amendment No. 143: Inserts subsection designation as proposed by the Senate.

Amendment No. 144: Inserts Senate language which repeals a ban on the sale of military equipment to Qatar. The Secretary of Defense has informed Congress that it is in the national interest to reestablish United States-Qatari security relations because of their support for United States troops in the Middle East. The conferees also made a technical correction to the section designation.

LEBANON

Amendment No. 145: Inserts the phrase "Of the funds" as proposed by the Senate.

Amendment No. 146: Inserts language providing a earmark of not less than $7,500,000 for Lebanon and requires that the earmark be derived equally from development assistance and economic support fund assistance.

Amendment No. 147: Inserts language proposed by the Senate inserting "and".

LOCATION OF STOCKPILES

Amendment No. 148: Strikes House language on location of stockpiles as proposed by the Senate.

Amendment No. 149: Inserts Senate language which makes permanent the authority to locate stockpiles within the boundaries of major non-NATO allies.

Amendment No. 150: Inserts language which places the overall limit on the value of additional military stockpiled material outside the United States in fiscal year 1991 to $378,000,000 and specifies that $300,000,000 of that amount be for stockpiles in Israel.

ASSISTANCE FOR PAKISTAN

Amendment No. 151: Inserts new subsection designation proposed by the Senate.

Amendment No. 152: Inserts language restricting funds from certain accounts in the bill being made available to Pakistan unless the President certifies that certain conditions have been met. The provision also requires that no funds in the bill may be obligated or expended except through regular reprogramming procedures.

SEPARATE ACCOUNTS

Amendment No. 153: Inserts Senate language substituting the word "agreements" for "arrangements", a technical adjustment.

Amendment No. 154: Retains House language requiring agreements to cover all generated local currencies rather than all deposited local currencies.

Amendment No. 155: Inserts adjusted Senate language stating examples of acceptable uses of local currencies as proposed by the Senate with the exception of general budget support.

Amendment No. 156: Strikes proposed new Senate language on local currencies deposited and retains Senate language addressing sub-Saharan African, Development Assistance.

ELIGIBILITY FOR OVERSEAS PRIVATE INVESTMENT CORPORATION

Amendment No. 157: Inserts Senate language expanding eligibility of OPIC programs to East European countries.

Amendment No. 158: Inserts Senate language defining OPIC authorities in Poland, Hungary, and other East European countries as proposed by the Senate.

EASTERN EUROPEAN BANK

Amendment No. 159: Inserts language dealing with authority to adjust Polish debt.

The conferees agree that sometimes economic actions must be taken to attack economic problems which if not dealt with lead to human disaster.

After World War II, the United States and other western creditors forgave substantial amounts of German debt because we had learned a lesson from the aftermath of World War I and because we believed that the German economy was crucial to the economic welfare of the people of all of Western Europe. After World War I, the allies chose to grind the German people into the dust demanding payment of enormous war reparations. That action produced the bitter resentment which allowed Hitler to come to power.

Poland faces economic conditions almost as miserable today as those faced by Germany before the war. Yet, the Polish people who fought with the allies were a victim of that war. As a result of the war, with the acquiescence of the West, a communist government was imposed from the outside on the Polish people. That history creates a special obligation for the West. It is necessary to stabilize the economic foundation of Poland today in order to enhance the ability of democratic forces in Poland to succeed and in order to ensure a transition to a market economy. The success of the Polish economy is crucial to the other economies of Eastern Europe and as proof to the Soviet Union that market economic reforms and democratic reforms can work.

The conferees agree that it is imperative that the Government of the United States and other creditor governments and commercial creditors of the Government of Poland recognize the basic fact that Poland is incapable of repaying the vast majority of its external debt.

The conferees have therefore granted the President the authority necessary to recognize that uncollectability and adjust Polish debt to the United States accordingly as other creditors take comparable actions.

While this action is unusual, it is not without precedent. German debts were adjusted after World War II. Indonesian debt was adjusted in 1972. Debt of the poorest African countires has been adjusted since 1988. Military debt of various countries owed to the U.S. was adjusted since 1988. The Brady Plan has resulted in the adjustment of certain commercial bank debt during the last few years and the Administration has pending a proposal to address the debt of Central American, Caribbean and South American countries owed to the United States.

Debt adjustment agreements for the democratic government of Poland should recognize that Polish economic conditions and therefore the collectability of Polish debt are far worse than the economic conditions which faced the Federal Republic of Germany in the early 1950's when its external debts were adjusted under both the London Agreement on German External Debts and under other postwar official bilateral debt agreements reached with the Allied powers and Denmark. At that time, the German debt to GNP ratio was 15.6 percent and the German debt to export ratio was 87.1 percent. For Poland today these same ratios, which reflect dire economic circumstances in Poland and the inability of the Polish government to service its debt, are 63.9 percent and 300.7 percent.

CASH FLOW FINANCING LIMITATION

Amendment No. 160: Strikes language proposed by the House on cash flow financing, and an across-the-board reduction. The conferees remain concerned that the current extent of cash flow financing in the foreign military financing program restricts the flexibility of the Congress to make adjustments in future levels of military assistance.

FUTURE ASSISTANCE PROJECTIONS

Amendment No. 161: Inserts language on future assistance projections requiring a submission of a three-year budget projection.

HUMAN RIGHTS

Amendment No. 162: Inserts Senate language requiring the Secretary of State to submit, within 30 days of the submission of the annual human rights report, a listing of countries which engage in a consistent pattern of gross violations of human rights and a description of how Foreign Military Financing assistance will be used to promote human rights.

The conferees request that the annual human rights report required by section 502B of the Foreign Assistance Act of 1961 be submitted to the Committees on Appropriations at the same time that it is formally submitted to the Congress.

POLAND LOCAL CURRENCIES

Amendment No. 163: Inserts language providing the equivalent of $500,000 in Polish local currencies for the Research Center on Jewish History and Culture of the Jagellonian University of Krakow, Poland.

The conferees further stipulate that funds for this project can only be made available to the extent they do not diminish the planned funding for the American Children's Hospital in Krakow. The conferees deleted Senate language on the Polish Senat and Sejm. This issue is addressed under funding for Eastern Europe.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Amendment No. 164: Inserts language concerning environmental aspects of structure, operating procedures and by-laws of the EBRD.

The conferees also urge the Secretary of the Treasury to vigorously seek establishment of an Environmental Fund to provide grants and loans for technical assistance, development of environmental institutions and regulatory systems, public education, and training.

PROPERTY MANAGEMENT FUND

Amendment No. 165: Inserts Senate provision allowing the Agency for International Development to use proceeds of sales of overseas property for various purposes.

The conferees intend that in exercising the authority to use funds for dependent schools, that AID shall use those fund only for schools whose enrollment is primarily United States Government personnel or their dependents.

IRAQ SANCTIONS

Amendment No. 166: Inserts language concerning Iraq Sanctions.

MILITARY AID LIMITED TO DEMOCRATIC GOVERNMENTS

Amendment No. 167: Strikes language inserted by the Senate.

The conferees affirm that supporting democratic governments is a primary goal of United States foreign policy. With the end of the Cold War U.S. military assistance should be provided, to the maximum extent possible consistent with the national interest, to achieve the goal of promoting and strenghtening democratic governments.

The conferees therefore urge that no military assistance be made available to any government that is not democratically elected or making substantial progress towards democratic institutions. The President should apply the criteria contained in the State Department's annual report on human rights and other information in determining whether or not a government meets this standard. The conferees agree that the President should have the discretion to provide assistance if he determines that it is in the national interest of the United States.

The conferees recognize that in some cases, such as constitutional monarchies, the legislative branch of a government may be democratically elected while the executive is not. The conferees would consider such a government democratic if the legislature is freely and fairly elected.

AID IG Personnel Changes

Amendment No. 168: Inserts language proposed by the Senate giving AID foreign service IG employees the same rights as civil service officers.

Contingency Authorities

Amendment No. 169: Provides language increasing the limitation on existing contingency authority from $10,000,000 to $25,000,000 in any fiscal year. The Senate had proposed increasing the limitation to $50,000,000.

Iraq Sanctions

Amendment No. 170: Deletes Senate language relating to Iraq sanctions. This matter has been consolidated under amendment number 166.

Iraq Sanctions

Amendment No. 171: Deletes language relating to Iraq sanctions. This matter has been consolidated under amendment number 166.

Excess Defense Articles

Amendment No. 172: Inserts Senate provision expanding the eligibility of countries who may receive excess defense articles to countries who have contributed armed forces to deter Iraq. Also inserts new section number 589.

Chemical Weapons

Amendment No. 173: Inserts provision prohibiting the use of any funds in the bill from being used to finance the procurement of chemicals that may be used for chemical weapons production. Also inserts new section number 590.

Foreign Service Grievance Procedures

Amendment No. 174: Deletes language proposed by the Senate concerning changes to the Foreign Service grievance procedures.

The conferees agree to remove Section 594 of the Senate bill and defer to the objections raised by the Post Office and Civil Service Committee one of the House authorizing committees that the section impinged on its jurisdiction. Section 594 is a long overdue amendment to the Foreign Service Act of 1980. It provides Foreign

Service officers with rights Civil Service employees have long possessed: to file complaints involving prohibited discrimination pursuant to more expeditious negotiated grievance procedures. Currently, Foreign Service officers are compelled to file such complaints through time-consuming appeals procedures such as agencies' EEO offices. The Conferees strongly urge the authorizing committees to correct this inequity expeditiously during the next Congress.

NOTIFICATIONS FOR EMERGENCY ASSISTANCE

Amendment No. 175: Inserts a provision allowing for waivers to the fifteen day notification in cases where a failure to do so would pose a substantial risk to human health or welfare.

EGYPTIAN DEBT

Amendment No. 176: Inserts a provision allowing the President under certain conditions to adjust or cancel Egyptian military debt.

KENYA

Amendment No. 177: Inserts Senate language prohibiting funds to Kenya unless the President certifies that Kenya is taking steps on the release of political prisoners, stopping physical abuse, restoring independence of the judiciary and restoring freedoms of expression.

CARIBBEAN POLICE TRAINING

Amendment No. 178: Inserts new language permitting police training for the Eastern Caribbean in connection with a regional security system.

ENTERPRISE FOR THE AMERICAS INITIATIVE

Amendment No. 179: Inserts a Sense of Congress Resolution that the President's Enterprise for the Americas Initiative could be helpful in the region and should be given prompt consideration.

EXCESS DEFENSE ARTICLES

Amendment No. 180: Deletes Senate language expressing a Sense of Congress on the Enterprise for the Americas Initiative.

JUDICIAL REFORM IN EL SALVADOR

Amendment No. 181: Inserts language proposed by the Senate which requires that 10 percent of the military assistance funds withheld for El Salvador be placed in a fund for judicial reform. The conferees agree to delete a Senate provision establishing a commission on judicial reform.

EXTENSION OF REFUGEE CATEGORIES

Amendment No. 182: Inserts provision extending fiscal year 1990 refugee categories.

PRIORITY DELIVERY OF EQUIPMENT

Amendment No. 183: Inserts provision allowing priority delivery of excess defense articles to NATO allies and major non-NATO allies of the southern and southeastern flank of NATO.

YUGOSLAVIA PROHIBITION

Amendment No. 184: Inserts language concerning a possible prohibition of assistance to Yugoslavia.

INDEX OF ECONOMIC FREEDOM

Amendment No. 185: Deletes Senate language related to the development of a system of country-by-country evaluation.

While the conferees have agreed not to include bill language as recommended by the Senate establishing an index of economic freedom, they nonetheless encourage the Agency for International Development and the Department of the Treasury to seriously consider developing such an index.

As enumerated in the Senate legislation, the index should include such factors as property rights, government regulations, activities of the so-called "informal sector", wage and price controls, tax policy, trade policy, restrictions on investment and capital flows, the size of the state sector, and banking regulations and policies.

The conferees are generally supportive of the proposition that such an index should be utilized to help evaluate which countries should receive foreign assistance. Perhaps more important, such an index would be useful to promote improvements in economic conditions while retaining flexibility in designing and implementing development programs and projects.

DEFENSE EQUIPMENT DRAWDOWN FOR ISRAEL

Amendment No. 186: Inserts language stating that the President may direct the drawdown, for Israel, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value of $700,000,000. It is the intention of the conferees to give the President the flexibility to provide Israel up to $700,000,000 in defense equipment in order to address the circumstances arising from the recent invasion by Iraq of Kuwait.

ANGOLA FAMINE

Amendment No. 187: Deletes Sense of the Senate language concerning the famine in Angola. The conferees endorse the issues raised in the Sense of the Senate language.

HOSTAGES IN KUWAIT AND IRAQ

Amendment No. 188: Inserts language providing up to $10,000,000 in Economic Support Funds to provide life and health insurance benefits for U.S. hostages (and their family members) in Iraq and Kuwait. The provision also provides salary payments. The conference agreement makes the provision effective for six months.

LITHUANIA, LATVIA AND ESTONIA

Amendment No. 189: Deletes language proposed by the Senate to provide $10,000,000 in medical aid and humanitarian assistance from development assistance and the Economic Support Fund for Lithuania, Latvia and Estonia.

FORCED CONSCRIPTION

Amendment No. 190: Provides language which prohibits assistance to any government that fails to protect children from forced conscription into military service. The provision is amended to include a new section number 599D.

INTERNATIONAL COURT

Amendment No. 191: Inserts language expressing the Sense of Congress on the creation of an International Criminal Court. The section is amended to provide a new section number 599E.

PROGRESS AND LEADERSHIP OF THE CITIZENS DEMOCRACY CORPS

Amendment No. 192: Inserts a new provision requiring the President to report to Congress the name of a qualified individual in the private sector who will serve as the Chairman of the Citizens Democracy Corps. The provision requires the President to submit a report to Congress by December 15, 1990, regarding the CDC's strategic implementation plan.

POLISH DEBT

Amendment No. 193: Expresses the Sense of the Congress regarding a reduction in Polish debt. The Senate had proposed a Sense of the Senate.

CHEMICALS USED IN PRODUCTION OF ILLICIT NARCOTICS

Amendment No. 194: Inserts new language directing the Attorney General to undertake negotiations concerning the production, transshipment, and sale of chemicals used in the production of Illicit Narcotics.

VIET NAM TRAVEL

Amendment No. 195: Inserts new language expressing the Sense of the Senate that the per diem travel limitation in Vietnam should be increased as a response to Vietnamese cooperation on the POW and MIA issues.

WEST BANK SCHOOLS

Amendment No. 196: Inserts new language commending Israel for opening West Bank schools of different types and expresses hopes that they will be respected as places of learning.

INTERNATIONAL FINANCIAL INSTITUTIONS TRAVEL

Amendment No. 197: Deletes language urging the Secretary of Treasury to direct the Executive Directors of the international financial institutions to urge the elimination of first class travel by employees of those institutions.

CONFORMING PUBLIC LAW 480 AMENDMENT

Amendment No. 198: Conforms Public Law 480 to provisions of the farm bill as proposed by the Senate.

TITLE VI—INTERNATIONAL FORESTRY COOPERATION

Amendment No. 199: Inserts Senate language, the "International Forestry Cooperation Act of 1990" providing legislative policy on international forestry matters and authorizing appropriations.

The conferees agree to include a title providing authority to the Secretary of Agriculture to carry out activities abroad in support of forestry and related natural resources, focusing on key countries which could have a substantial impact on emissions of greenhouse gases related to global warming. The Secretary of Agriculture is to provide assistance in support of international forestry in countries that receive assistance from the Agency for International Development only at the request or with the concurrence of the Administrator of the Agency for International Development.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1991 recommended by the Committee of Conference, with comparisons to the fiscal year 1990 amount, the 1991 budget estimates, and the House and Senate bills for 1991 follow:

New budget (obligational) authority, fiscal year 1990	$15,523,490,180
Budget estimates of new (obligational) authority, fiscal year 1991	15,518,826,537
House bill, fiscal year 1991	15,637,093,273
Senate bill, fiscal year 1991	15,533,051,000
Conference agreement, fiscal year 1991	15,389,400,887
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1990	−134,089,293
Budget estimates of new (obligational) authority, fiscal year 1991	−129,425,650
House bill, fiscal year 1991	−247,692,386
Senate bill, fiscal year 1991	−143,650,113

DAVID R. OBEY,
SIDNEY R. YATES,
MATTHEW F. MCHUGH,
WILLIAM LEHMAN,
CHARLES WILSON,
WILLIAM H. GRAY III,
BOB MRAZEK,
RON COLEMAN,
JAMIE L. WHITTEN,
JERRY LEWIS
(except for enterprise for Americas initiative—amendment 141),
JOHN PORTER
(except for enterprise for Americas initiative—amendment 141),

DEAN GALLO
(except for enterprise for Americas initiative—amendment 141),
SILVIO O. CONTE,
Managers on the Part of the House.

PATRICK J. LEAHY,
DANIEL K. INOUYE,
DENNIS DECONCINI,
FRANK R. LAUTENBERG,
TOM HARKIN,
BARBARA A. MIKULSKI,
ROBERT C. BYRD,
ROBERT W. KASTEN, Jr.,
ALFONSE D'AMATO,
WARREN RUDMAN,
ARLEN SPECTER,
DON NICKLES,
TED STEVENS,
Managers on the Part of the Senate.

○